

SOCIAL PROBLEMS IN TRANSITION

Perceptions of influential groups in Estonia, Russia and Finland

Sari Kaarina Hanhinen

Ph.D. Thesis

The School of Slavonic and East European Studies
University College London

ABSTRACT

The thesis examines influential groups' perceptions of social problems in Estonia, Russia and Finland. The context of the study is the ongoing "Eastern transition" in Estonia and Russia and the "Western transformation" in Finland. Each is changing the accustomed ways to define and treat social problems. The focus is on comparing definitions of social problems, including the causes and solutions suggested by the influential groups. The main assumption is that the framework of defining social problems is changing in all three countries: the state's role as the body responsible for people's welfare is diminishing, while more emphasis is being placed on the role of individuals, the market and civil society.

Theoretically, the approach is close to social constructionism, according to which social problems are products of collective definition processes. Furthermore, I assume that the influential groups, formed of journalists, administrators and business people, have the power and the possibility to influence the course of social change. The data consists of focus group interviews conducted in Tallinn, St. Petersburg and Helsinki in 1995-1996.

The thesis suggests that, for all three countries, the determining factor behind the definitions of social problems is the heavy social costs of the transition and transformation. According to the interviewees, Estonia and Russia are now afflicted with vicious circles of social problems, centered around the problems of crime, poverty, housing, poor health and environmental pollution. In Finland, unemployment and poverty were regarded as the most serious social problems. Mainly due to the severe social problems, the interviewees were not willing to transfer the responsibility for people's welfare from the state to the market or civil society. The changes in the framework of defining social problems thus turned out to be much less dramatic than expected. Altogether, the results indicate that the welfare systems created during the post-war era are now being partly dismantled in all three countries. However, in the opinion of the influential groups, there is no overall disillusionment with big state solutions to social problems.

CONTENTS

Abstract	2
List of tables	5
Chapter 1. Introduction	6
Chapter 2. Context of the study: social change and its effects upon the well-being of the people	19
2.1 The Eastern transition and the socialist legacy	20
2.1.1 Transition paths in Estonia and Russia	33
2.1.2 The social consequences of the transition	40
2.2 The Western transformation and the challenge to the welfare state	47
2.2.1 Transformation path in Finland	54
2.3 The common framework: the changing roles of the state, the market and civil society	57
2.4 Conclusion	82
Chapter 3. Studying social problems - theoretical approaches	85
3.1 Objectivism versus subjectivism	85
3.2 Social constructionism	89
3.3 Social problems and social change - the problems of applying social constructionism in post-communist countries	98
3.4 Defining social problems in socialism and early post-communism	104
3.5 Changes in definitional frameworks - an outline for a comparative setting	117
Chapter 4. Studying influential groups - the data and the method	121
4.1 Influential groups as definers of social problems	123
4.1.1 Administrators, journalists, business people and the question of power	123
4.1.2 The role of values and interests in guiding the perceptions of influential groups	125
4.2 Focus group interviews as a method of data collection	136
4.3 Notes on comparability	139
4.4 The data	143

Chapter 5. Influential groups' perceptions of social problems in Estonia and Russia	147
5.1 The seriousness of different problems	148
5.2 The vicious circles of social problems	156
5.3 Causes of social problems	176
5.4 Bearing the burden - to whom should the responsibility for treating social problems be assigned?	181
5.5 The new framework of defining social problems	197
Chapter 6. Influential groups' perceptions of social problems in Finland	227
6.1 Changes in the framework of defining social problems	227
6.2 The seriousness of different problems	230
6.3 The definitions of the most serious social problems	235
6.4 Assuming responsibility: legitimacy and future of the Finnish welfare state	246
6.5 Conclusion: no end of the line for welfare – yet	251
Chapter 7. Social problems in social change - comparing Estonia, Russia and Finland	260
7.1 Social problems from a comparative point of view	261
7.2 Comparing perceptions of social policy	280
7.3 Discussion: from influential groups' perceptions to the course of social policy systems	291
Appendix A: Guidelines for the focus group interviews	307
Bibliography	309

LIST OF TABLES

Table 5.1. Summary of influential groups' perceptions of the most serious social problems in Estonia and Russia.	149
Table 5.2. Classification of social problems in Estonia and Russia.	153
Table 5.3. Causes for the vicious circles of social problems.	177
Table 5.4. Responsibility for taking care of social problems: State (S), Individuals (I). Summary of the perceptions of the influential groups in Estonia.	183
Table 5.5. Summary of the perceptions of the influential groups on different models of social policy and the role of civil society.	188
Table 1. Appendix 5.1. Social problems and the number of influential persons who regarded them as the most serious problems in Estonia.	225
Table 2. Appendix 5.1. Summary of the influential groups' perceptions of different models of social policy in Estonia. The number of persons who regarded the model in question probable or preferable.	226
Table 6.1. Seriousness of different social problems in Finland according to influential persons (number of mentions in questionnaire).	231
Table 6.2. Classification of social problems in Finland.	234
Table 6.3. Some causes for unemployment, according to the influential groups.	238
Table 1. Appendix 6.1. Influential persons' perceptions of (A) the most serious social problems in Finland, (B) the most serious social problems in the respondents' places of residence, (C) social problems that affect the lives of the interviewees and their families, (D) social problems that most urgently should be solved in Finland. (Number of mentions in questionnaire).	258
Table 2. Appendix 6.1. Responsibility for taking care of social problems: State (S), Individuals (I). Summary of the perceptions of the influential groups in Finland.	259

CHAPTER 1. INTRODUCTION

Social change can have dramatic social consequences. In Estonia and Russia, like in all post-communist countries, the transition from state socialism to market economy and democracy has led to an increasing prevalence of many social problems. Consequently, the former Soviet people, used to a certain level of social security and societal order being guaranteed by the state, have had to learn to cope with problems such as crime, poverty, unemployment, increasing inequality, problems of housing, deteriorating health and environmental pollution.

A social scientist familiar with the social problems in the former Soviet Union might argue that many of these problems are, by no means, new phenomena in either Estonia or Russia. However, what matters is that they are perceived as such by the people, who are still learning ways to survive in their new social environments. What makes their task so difficult is the fact that the state's social security system is not functioning well enough to tackle the new social problems.

As regards the well-being of the people, or the social security they are entitled to, the situation is unquestionably better in Finland, the closest Western neighbour of Estonia and Russia. However, even the Finnish people have been touched by social change which, in Finland, is mainly connected with the recession of the early 1990s. The social problems most commonly regarded as the social costs of the changeover from affluence to depression include unemployment, poverty and increasing inequality. In a wider

context, the ongoing social change is related to the "Western transformation" or "crisis of the welfare state," as it is often called. The idea that a social change seems to cause severe social problems, whatever the type or pace of the transition or transformation, is among the main results of this thesis which examines influential groups' perceptions of social problems in Estonia, Russia and Finland.

The data for the study were collected in the framework of a larger research project called the Baltica study. The multidisciplinary project lasted from 1990 to 1998, with participants from all the countries surrounding the Baltic Sea. Four sub-studies were conducted to examine perceptions of various social problems and their interrelationships under changing social and political conditions¹. From 1995, I worked as co-ordinator in a sub-study focusing on the views that influential persons held on social problems in Finland, Russia, the Baltic states and Poland. A secondary comparison of the five post-communist countries was reported in 1998. (Hanhinen 1998). This thesis presents a more detailed analysis and comparison of Estonia, Russia and Finland, three neighbouring countries on the eastern side of the Baltic Sea.

My comparative research setting is based on the assumption that the Eastern transition and the Western transformation are dramatic processes of social change and that they

¹ The Baltica study was initiated by research professor Jussi Simpura (Social Research Unit for Alcohol Studies, STAKES) and Christoffer Tigerstedt (Nordic Council for Alcohol and Drug Research), and it later became also a WHO collaborative effort in connection with a European Action Plan. (Simpura & Tigerstedt 1992). The overall aim of the study was to analyse the prevalence and perception of social problems in the countries around the Baltic Sea. The sub-studies approached the research question from different angles and with different data: on the basis of available statistics (Leifman 2000), surveys on public opinion (Moskalewicz & Tigerstedt 1998), mass media materials (Lagerspetz 1994), and group interviews with influential persons (Hanhinen & Törrönen 1998).

result in similar changes in the framework of defining social problems. The main argument is that the ongoing social change in Estonia, Russia and Finland can be seen as a rearrangement of the state, the market and civil society. Consequently, the state's role as the body responsible for people's welfare is diminishing, while more emphasis is being placed on the role of individuals, the market and civil society.

As regards economic and political development after the collapse of the Soviet Union, Estonia and Russia do not seem to have much in common. Estonia is often placed among the most rapidly developing and politically successful post-communist countries. From the beginning of the transition, Estonia has applied shock therapy in her economy in order to overcome the problems caused by the deterioration of the Soviet economy, including major disruptions in trade and a dramatic fall in output. Estonia's economy has recovered well, and the political system has remained stable throughout the transition period. One indication of the consensus of opinion in Estonian political life is the fact that the radical financial and economic reforms have been supported by right-wing politicians as well as by centrist and social democratic forces (Lauristin 1995).

In Russia, the process of democratisation has faced many dilemmas. Politically, Russia is notorious for a high degree of continuity with the old system. Her economy has lurched from one crisis to another. At the beginning of the transition, one of the reasons behind constant political conflict was whether, and to what degree, Russia should adopt shock-therapy economic reforms. The principles of shock therapy were eventually adopted in fiscal and monetary policy, with the result of a severe decline in production and a drastic increase in consumer prices. The first economic crisis and its impact lasted roughly from 1992 to 1994. This was followed by a period of emerging stability, but the

remaining problems again turned into a crisis in August 1998. (E.g. Kotz 1997, Simpura et al. 1999).

Regardless of all the differences, what Estonia and Russia do have in common are the severe social costs of the transition. Together with dramatic falls in output, the stabilisation policies pursued during the shock therapy reforms quickly led to dramatic reductions in personal incomes and to a high level of social and economic deprivation and impoverishment of the population in both countries.

All of the former socialist countries have faced similar challenges in tackling the new social problems and reformulating their social policy systems. Estonia and Russia have also had to start from scratch in order to rebuild their social policy systems. As I will show in this thesis, the state institutions have remained weak; especially in Russia, the growth of an underground "second economy" still makes it difficult for the government to raise taxes to pay for a social policy system. There are also severe problems in the spheres of the market and civil society: despite ideological interest and the economical necessity of pushing more responsibility for social security from the state down to individual citizens, the citizens' ability to insure themselves against health risks and social risks is still weak (cf. Simpura 1995). As concerns civil society and its organisations, the countries do not have effective policies for regulating non-governmental activity, and the non-governmental organisations have not, in practice, undertaken the welfare functions previously provided by the state.

Much like in Estonia, the collapse of the Soviet trade had drastic effects on the Finnish economy; it was one of the main causes behind the country's worst economic

depression since the 1930s. All in all, the beginning of the 1990s marked a turning point in the transformation of the Finnish welfare state.

In the 1980s, Finland was among the most prosperous industrialised countries in the world, with a good record of economic development. Like in the other Nordic welfare states, economic prosperity was combined with policies aiming at maintaining high levels of equality and low levels of poverty. Altogether, the success of the Nordic model showed that it was possible to combine good economic performance and social justice.

However, there are grounds for claiming that, within the last decade, all Nordic welfare states have been under pressure to make changes to their welfare state systems. The affordability or sustainability of the welfare state has been called to question. In Finland, the discussion in the first half of the 1990s revolved mainly around "economic necessities" or "constraints." In most political speeches, the state of the public economy and dependency ratios became the most crucial welfare state issue, as unemployment and ageing had a strong effect on the figures. (Kautto et al. 1999). Consequently, the "Thatcherist" or "neoliberal" ideas that have challenged other Western welfare states since the 1960s have become part of the Finnish welfare discourse.

In this thesis, the ongoing social change in Finland is described as part of a general transformation process in Western welfare states. From the economic point of view, the Western transformation is normally regarded as a result of the development of global markets, new information technologies and the growth of mass cultural consumption. Culturally, the change is often described as a changeover from modernity to postmodernity. As a contrast to the "modern epoch" when the state had the legitimacy

to intervene into the social life of its citizens in order to promote progress, equality and welfare, postmodernity is characterised by the rise of individualism and pluralistic choice (Pierson 1998).

Altogether, the transformation has created pressures on the welfare models and practices in Western welfare states. In many countries, there has been a move away from the universalist model of social policy towards a more residualist, needs-governed system. As I will argue in my thesis, it is questionable to what extent the Finnish welfare state has been, or is, in "crisis." Nevertheless, the questioning of the welfare state hegemony is changing the accustomed ways of defining and treating social problems, and it is becoming less and less evident what kind of phenomena in society are likely to "arise" as social problems.

The diminishing role of the state welfare apparatus as definer of social problems is apparent also in post-communist countries. As is well known, under the communist regime social problems were removed from the political agenda in order to maintain a positive ideological profile. It was only after the dissolution of the Soviet Union that the previously forbidden topics became a part of political discourse and academic research. Moreover, the framework of defining social problems is changing due to alterations in welfare policies.

Thus, regardless of the many fundamental differences in the processes of social change in the East and the West, the societies in transition or transformation have some important similarities. As noted earlier, the roles of the state, the market and civil society are changing in all of these societies. More specifically, the common tendencies

that are supposed to affect the framework of defining social problems include a growing disbelief in state-guided universalist welfare building, the rise of neoliberalism and individualism, a hope for the strengthening of civil society, and the reconstruction of citizenship rights. The common tendencies which, in theory, link the Eastern transition and the Western transformation also provide the "theoretical justification" for comparing otherwise historically and culturally very different kinds of societies.

Furthermore, I assume that the influential groups who, due to their social position, can be regarded as the leaders of social change are among the first to internalise the new values related to the common tendencies of the transition and transformation. The perceptions of influential groups are very significant also because these individuals and groups have the power and the possibility to influence the course of social change. Especially in the post-communist countries, where the social and political institutions are still weak, the influential groups and the elites are the core actors in the formation of new democracies (cf. Steen 1997).

In practice, the influential groups interviewed for this study consisted of journalists, administrators and business people. Interviewees were selected according to the same principles in all countries, and a total of fourteen focus group interviews were conducted in Tallinn, St. Petersburg and Helsinki in 1995-1996.

In analysing the data, I have used ideas from a theory orientation named social constructionism according to which social problems are, above all, social constructions. In contrast to so-called objectivist theorists, the social constructionists adopt a radical subjectivist position, concentrating on the processes by which people designate some

conditions as social problems. According to their definition, social problems are "the activities of individuals or groups making assertions of grievances and claims with respect to some putative conditions." (Spector & Kitsuse 1987). The main idea of social constructionism is that it does not matter what the "actual prevalence" of a particular issue is. It is enough if some group identifies the issue as a social problem and demands actions for it to be solved. However, my way of interpreting the data is compatible with "contextual constructionism," in practice, this means incorporating knowledge of social conditions into the analysis.

Following the guidelines of social constructionism, the first research question in examining perceptions of social problems is *what kind of phenomena the influential groups define as social problems?* Furthermore, in defining social problems, the *claims-makers* also define their causes and suggest solutions. Therefore, the second question is *to whom the responsibility for treating social problems is assigned?* In examining the question of responsibility, the influential groups' perceptions of the most expedient social policy are an integral part of the analysis.

One of the central ideas in this study is that social problems are interpreted differently in different contexts. Perceptions of social problems can thus be expected to vary, depending on the country in question, between different groups and between different individuals whose perceptions are influenced by their values, norms and interests. One could presume, for example, that the professional interests of administrators would make them less eager to transfer the responsibility for social problems from the state to the market or civil society.

The wider societal context, in other words "the world" in which the influential groups live and to which their perceptions are bound, is presented in Chapter 2. The central question in this chapter is: *What is the nature of transition in Estonia and Russia, what are the main characteristics of transformation in Finland, and how are these supposed to affect perceptions of social problems?* The latter part of the chapter is based on empirical findings concerning the economic, political and social changes in each country. Mainly, however, the transition and transformation are approached from a strictly theoretical point of view.

On the basis of theoretical considerations, I will suggest that Finland is moving away from welfare state hegemony towards a more market-oriented and individualised society, and that many issues that were previously regarded as social problems are now defined as the problems of the individual, thus not requiring a solution on the level of society.

It is considerably more difficult to define the Eastern transition. As will be seen in Chapter 2, transition theorists tend to hold conflicting opinions of its nature. According to my interpretation, the main differences, or factors dividing the transition theories, have to do with how much emphasis they put on history and how they define "the extent of freedom" in post-communist countries. Two opposite ways of theorising transition are presented here: Claus Offe's theory of "path-dependency" (Offe 1996a) and Ken Jowitt's idea of transition as a "Genesis environment" (Jowitt 1992). The latter starts from the assumption that, transition is a state of perfect restructuration. Jowitt's understanding of transition seems to suggest that history is of no consequence and that influential groups could have "unlimited freedom" to define any kinds of issues as

social problems. However, Offe's theory defines transition as a social process determined by historical and cultural factors, suggesting that influential groups' perceptions are, to a large extent, guided by contextual factors such as history, culture, present social situation etc. It is also my suggestion that the "definitional space," meaning the space in which social problems are defined, is limited. Therefore, as concerns theories of transition, I lean on the ideas of Offe as well as those of Cristo Stojanov (1992) and Piotr Sztompka (1996) who also regard transition as a rapid social change but take into account the presence of social and cultural traditions.

Theories of the "path-dependency" type prove their usefulness in the course of this study. For instance, they help us to understand one of the main results of the study, namely the role and significance of the "socialist legacy" in the influential groups' perceptions of social problems in Estonia and Russia.

Chapter 3 is, similarly, mainly theoretical: I introduce the main theories of social problems and discuss the advantages of social constructionism. My argument is that, as the study focuses on perceptions of social problems in societies experiencing profound and unpredictable changes, the most suitable means for analysing the data are found in social constructionism which does not take definitions of social problems for granted. In addition, I will present other theories which have relevance for examining social problems in a time of social change. As will be shown in the empirical part of the study, Emile Durkheim's theory of anomie, among others, provides some useful insights for understanding the influential groups' perceptions of social problems in Estonia and Russia as well as in Finland. At the end of the chapter, in order to fully understand the

perceptions of social problems in post-communist countries, I will examine how social problems were defined in Estonia and Russia in the time of socialism.

In Chapter 4, I will present the data and the focus group method. Before that, however, I discuss the role of influential groups as definers of social problems: their social position as the leaders of social change as well as the interests and values which are supposed to guide their perceptions. In examining the values, norms and interests of influential groups I rely on existing studies on elites. My main reference is Anton Steen's thorough study on elites in post-communist countries in which he compares the elite groups of Estonia, Latvia and Lithuania (Steen 1997). The transformation of the Russian elites has been examined, for example, by James Hughes (1997). On the whole, there are a number of studies on both post-communist elites and Finnish elites, but none of them concentrate on these groups' perceptions of social problems. Studies on social problems in a context of social change or in a comparative research setting are also few in number. Considering that the task of comparing qualitative data across countries is a new challenge in social sciences, I regard it as necessary to discuss the comparability of the data.

The influential groups' perceptions of social problems in Estonia and Russia will be analysed and compared in Chapter 5. The focus is on examining the definitions of *crime, poverty, poor health, environmental pollution* and *problems of housing* which were regarded as the most serious social problems in both countries. The most interesting finding with respect to the influential groups' perceptions of the causes of social problems was that, although the roots of some social problems could well be traced back to the time of socialism, most of the social problems were seen solely as

products of the transition. On the whole, my conclusion is that the framework of defining social problems has changed significantly after the socialist era. Consequently, at the end of the chapter, I suggest a new framework of defining social problems, consisting of "personal experience and changes in everyday life," "misguided welfare policy" and "the socialist legacy and the state of anomie." Each of these factors played a part in determining the influential groups' definitions of social problems and their perceptions of the most expedient social policy. For example, the socialist legacy was regarded as one of the main causes of social problems; in the opinion of the influential groups, many problems arise from the fact that people who have grown accustomed to the state taking care of their basic well-being are unfit to suddenly adjust to new types of social environments.

In Finland, the change in the framework of defining social problems has been far less remarkable. However, as I will show in Chapter 6, the Finnish influential groups did feel that the social change has had its costs. These costs included increasing unemployment and poverty and the rise of a new marginal group consisting mainly of the long-term unemployed. Contrary to expectations, solutions for the new social problems and for the increasing polarisation of society were unanimously sought from the welfare state apparatus. On the whole, my thesis will show that, at least for now, there is no one who would seriously question the legitimacy of the Finnish welfare state. This argument is supported by public opinion surveys as well as recent studies on the Nordic welfare states (e.g. Kautto et al. 1999).

Finally, in Chapter 7, I will compare the results from individual countries and examine them against the theoretical framework built in Chapters 2, 3 and 4. From a comparative

point of view, one of main findings is that, despite differing social and cultural traditions in Estonia and Russia, definitions of social problems are very similar in these countries. Significant similarities are also found between the perceptions of the Finnish influential groups and those of their Estonian and Russian counterparts. For example, in all three countries poverty was singled out as one of the most serious social problems. However, as I will argue in the concluding chapter, a closer examination of the definitions of poverty indicates clear differences in the way poverty is understood in different social contexts.

Throughout the empirical part of the study, I pay attention to the fact that there were no significant differences between occupational groups in any of the countries, even in perceptions of the most expedient social policy. Perhaps the most unexpected and significant result of the study is that, in all three countries, although for different reasons, the influential groups wanted to preserve the strong role of the state in preventing and treating social problems. The options of the market or civil society were not considered viable as the responsible bodies for people's welfare.

The thesis ends with a discussion of the present day social situation and the future prospects of social policy in Estonia, Russia and Finland. Based on the most recent studies on the region, I will conclude that the social problems which, according to the interviewees, afflicted their countries in the mid-1990s have by no means disappeared. Furthermore, in Estonia and Russia, the new social policy systems are still very much in a developing state; especially in Russia, the severe social problems and the flaws in the social security system cause major disruptions in the overall social safety net.

CHAPTER 2. CONTEXT OF THE STUDY: SOCIAL CHANGE AND ITS EFFECTS UPON THE WELL-BEING OF THE PEOPLE

Key questions addressed in this chapter are: what is the nature of the transition in Estonia and Russia, what are the main characteristics of the transformation in Finland and how are these supposed to affect the perceptions of social problems? The Eastern transition is approached from three different angles: first, from the point of view of theory; then, secondly, from the practical point of view, by looking at the paths of transition taken in Estonia and Russia; and thirdly, by examining the social consequences of the transition.

The ongoing social change in Finland is described as part of a general transformation process in Western welfare states. After theorising the transformation process, I will present a short overview of recent political, economic and social developments in Finland.

Next, I will build a common framework as a basis for the study, by arguing that in all three countries, Estonia, Russia and Finland, the ongoing social change can be seen as a rearrangement of the state, the market and civil society. Regardless of their differences, and especially regardless of the fact that the Western transformation is considerably less dramatic in nature than the transition in post-communist countries, the three countries share a number of issues. The common denominators identified here include increasing neoliberalism and individualism, the reconstruction of citizenship rights and the rebirth of civil society. At the end of the chapter, I will discuss how these components of social change are presumed to affect the framework of defining social problems, particularly

as they act together with other consequences of the transition or transformation - consequences that cause various challenges to the present welfare systems.

2.1 The Eastern transition and the socialist legacy

Researchers theorising the transition commonly begin by asking the following question: "What was the nature of the events that took place in Europe, starting in the autumn of 1989 and continuing up to 1991-1992 and the final collapse of the Soviet Union?" According to Piotr Sztopka, what took place was a revolution, both in the historical and the sociological sense of the word: like other great revolutions in history, the revolution of 1989 changed the world. Firstly, it produced a true break in the historical continuity and caused changes at all levels of social life. Secondly, it can be called a revolution because it was the outcome of extreme mobilisation of the masses and huge social movements. Fortunately, it did fail to meet one of the traditional criteria of a revolution: there was no widespread violence. (Sztopka 1996, 115-116).

The idea of the post-communist breakdown as a revolution has been strongly criticised, for example by Jon Elster, Claus Offe and Ulrich K. Preuss. From their point of view, in order to speak of a "revolution" one would have to be referring to the actions of an internal elite that brought about the regime changes (Elster et al. 1998, 11). Especially Offe has emphasised that, unlike the classical modern revolutions, the Eastern and Central European upheavals of 1989-1991 were revolutions without a historical model or theory. According to him, one of the distinguishing characteristics of the Eastern and Central European upheavals was the lack of any elaborated theoretical assumptions or normative arguments: no-one was asking the important questions about who was to

carry out which actions, in which circumstances and with what aims, and what dilemmas were to be expected along the road and how the new synthesis of a post-revolutionary order ought to be constituted. In the last two centuries, no revolutionary action has been taken unless at least preliminary answers have been sought to these questions. In the case of the Eastern European upheaval, however, the questions still remain poorly answered. (Offe 1996a, 30).

The distinctly "a-theoretical" character of the upheaval is reflected in the works of transition theorists, whose task, due to the absence of any kind of prescriptive "ex-ante" revolutionary theory in the East, has been to understand, in retrospect, what actually happened (Offe 1996a, 30). Following the ideas of Offe, I will distinguish three basic theoretical approaches that have been used in defining the nature of post-socialist transition. They can be summarised under the headings of *theory of modernisation*, *Genesis environment* and *path dependency*. (Offe 1996a, 137).

At one extreme among transition theories stand the *theories of modernisation* which see the disintegration of communism as the final victory of modernity's great achievements, market economy and liberal democracy (Burawoy & Verdery 1999, 1). In other words, what is involved is a paradigm of "designer capitalism." This approach is favoured, above all, by economists debating whether a revolutionary break or a negotiated transition is the most effective way into the promised land of capitalism. (Burawoy & Verdery 1999, 4, Offe 1996a, 137).

According to Adrian Smith and John Pickles, mainstream transition theory has been written in terms of the discourses and practices of liberalisation, involving the

marketisation of economic relations, the privatisation of property, and the democratisation of political life. In each of these three, the aim is to free up the economy. Privatisation aims to break up economic monopolies in the spheres of production, purchasing and distribution. Democratisation and de-communisation aim to break the hold of the communist party in political life and to enable the re-emergence of civil society. (Smith & Pickles 1998, 2).

These practices of liberalisation are emphasised especially in reworked modernisation theory, according to which the former socialist societies will undergo modernisation and embrace market capitalism and democracy once the appropriate policies, institutions and mechanisms are in place. Thus, as central planning systems are dismantled, the bureaucratic economy will be replaced with thriving examples of market economies and the emergence of social groups capable of cementing the market and liberal democratic practices (Smith & Pickles 1998, 4). In simple terms, the theory of modernisation is an approach where the post-communist transition is regarded as one temporary state of social order on a road towards Western-type capitalism.

At the other extreme among transition theories stands *Genesis environment*, an approach formulated by Ken Jowitt. He describes the situation in post-communist countries as a state of perfect destructure. According to Jowitt, the truly remarkable feature of turbulent, dislocating and traumatic Genesis environments is the dissolution of existing boundaries and related identities, giving rise to a correspondent potential to generate novel ways of life. Furthermore, Jowitt states that the new way of life consists of a new ideology which radically rejects, and demands avoidance of, existing institutions (social, economic, religious, military, administrative, political, cultural etc.) and calls

for the creation of alternative institutions with "superior" features; a new political idiom, language, and vocabulary that "names" and establishes the boundaries of the new way of life. (Jowitt 1992, 266).

According to Offe's interpretation, Jowitt's view of transition resembles the situation when "the earth was deserted and empty." Everything is possible and nothing can be excluded; there is no privileged path into the future, no evolutionary regularity and no recognisable creative will. The only thing that can be expected is a situation in which the people are passively involved and unable to control the course of events¹. (Offe 1996a, 137-138). In Jowitt's words, "Genesis environments are full of surprises and shocks" (Jowitt 1992, 281). Therefore, unlike in the theories of modernisation, no ready-made pattern of development or privileged path into the future can be expected.

These two extreme theories have been rejected by many transition theorists. Richard Sakwa states that approaches focusing on modernisation and development are misleading in that they suggest an inevitability in outcomes where no such inevitability can be assumed. The view that, for example, Soviet-style politics could be cast off to reveal a nascent capitalist democracy, is misleading, if not entirely false. There may be profound continuities in Russia between the tsarist, the Soviet and the post-Soviet eras

¹ It should be noted, however, that Offe's interpretation of Jowitt remains one-sided. In the end, like Offe and many others, Jowitt does point out that "whether the transition is looked at as an imperative, process, or outcome, Eastern Europe is in the midst of redefining its cultural frames of reference, political and economic institutions, and political-territorial boundaries." Thus, contrary to Offe's interpretation, Jowitt does not state that in transition "everything is started from a clean table." Instead, Jowitt stresses that "whatever the results of the current turmoil in Eastern Europe, one thing is clear: the new institutional patterns will be shaped by the "inheritance" and legacy of forty years of Leninist rule." (Jowitt 1992, 285).

but, at the same time, there are enormous disjunctures and discontinuities. (Sakwa 1993, 353). Therefore, in defining the nature of post-communist transition, one should, instead of equating transition with modernisation, adopt the more fruitful point of departure of asking “to what extent was real socialism modern?”

According to Max Weber, modern societies share four basic features. Firstly, modernisation presupposes the development of an industrial mode of production. The second central feature is the evolution of rational forms of domination and administration, that is, the development of a rational bureaucracy. The third characteristic of a modern society is a developed civil society with powerful institutions such as independent media that are able to criticise the political and legislative institutions. The fourth characteristic of a modern society is the increasing autonomy of the individual, produced by the dissolution of traditional bonds of religion, family and locality. (Weber 1972, in Piirainen 1997, 16).

The first of the Weberian conditions of modernity was unquestionably met in Soviet socialism. As Timo Piirainen points out, after the forceful industrialisation effort in the 1930s the Soviet Union was undoubtedly a major industrial power, and during the last decades of the Soviet regime its occupational structure resembled closely that of the advanced capitalist countries. However, the second condition is problematic. The Soviet state apparatus was certainly bureaucratic in the everyday sense of the word, but far from it in Weber’s sense, since its activity was not based on rational and abstract principles that could have been uniformly applied throughout the vast administrative apparatus. Instead, since the power of the bureaucratic apparatus was exerted beyond the regulative control of free and open public discourse, what followed was arbitrariness

of decision-making, corruption, and the formation of patron-client relationships. (Pirainen 1997, 17). Furthermore, as implied in the above, the third condition was not met.

As regards the fourth condition for modernity, Jukka Gronow, for one, has pointed out the importance of unofficial networks under the Soviet conditions. These unofficial networks were, in the main, based on family and friendships, and they could be of crucial importance in, for example, getting hold of rare goods. According to Gronow, the workings of such networks can be compared to the primitive institution of gift giving, because they bind their members into a network of mutual obligations and loyalty. (Gronow 1997, 68-69). Furthermore, Gronow quotes Ilja Srubar who has pointed out that the morality of these networks is a morality of egalitarianism characterised by resentment. It therefore opposes any change which promotes rewards based on individual achievements and it also effectively prevents the development of a new, strong individual identity. All in all, in Srubar's opinion, the social identity of a socialist individual was strongly tied to the "clan" or "family." (Srubar 1991, quoted in Gronow 1997, 69).

Cristo Stojanov's ideas about "the extent of modernity" in the Soviet society are very similar to those presented above. He argues that, in state socialism, the first result of the transformation of ideology was the liquidation of the state, as such, and the transformation of the society into a closed organisation. All elements of a general nature were removed from the state organisation. The legal system and the guarantees of individual autonomy and interests were replaced by revolutionary ethics and party-oriented decisions. As a result, a bureaucracy that served objective purposes and

performed in accordance with abstract rules was transformed into an administratively and hierarchically organised elite system. (Stojanov 1992, 215).

Regardless of the fact that real socialism only met the first criterion in Weber's definition of modernity, it is a commonly held view that capitalism and socialism were simply two rival versions of modernity. According to Stojanov, the great difference between capitalist and socialist modernisation was that capitalist modernisation was conducted in the name of capital effectiveness, with respect to both economic and cultural capital. In state socialism, transformations depended on social capital or political power. The principle of the effectiveness of economic and cultural capital was to be abolished in the construction of social reality and replaced with new principles, with the help of social capital. The implementation of the dominance of social capital over other kinds of capital represents here a negation of capitalist principles for the social construction of reality. (Stojanov 1992, 216). Exactly the same point has been made by Gil Eyal, Iván Szelényi and Eleanor Townsley, who have defined capitalism as a class-stratified system in which economic capital is dominant, and communism as a system in which social capital - institutionalised as political capital - was the major source of power and privilege. Furthermore, drawing on Weber, the authors present a conceptualisation of communism, based on modern rank order, in which the dominance of social capital eventually resulted in a socialist form of patron-client relations. (Eyal et al. 1998, 7).

I conclude my overview of the question of modernity by returning to Piirainen, who states that the monolithic position of the state may be interpreted as being one of the most important reasons behind the peculiar character of modernisation in Soviet society.

Since the impulse for the modernisation could not come from "below," in the form of an initiative from citizens functioning as independent economic and social actors, it came from "above," from the ruling elite that saw the necessity of catching up with competitors in Western Europe. The result of this kind of modernisation "from above" could be regarded as pseudo-modernisation (Piirainen 1997, 14) or "fake modernity," as Sztompka (1996, 121) has named it.

The exact extent of modernisation in Soviet society would be hard to determine but, in my search for the most credible theory of transition, I will proceed from the assumption that Soviet society was modern even if it did not meet all of the Western criteria for modernity. Furthermore, I disagree with Eyal et al. who argue that the distinction between tradition and modernity is unhelpful in understanding what socialism was (Eyal et al. 1998, 67). The reason why the issue is debated here is that it, in fact, provides a necessary point of departure for understanding those theories of transition which are the most suitable for the purposes of this study.

One of the most convincing interpretations of transition is presented by Stojanov. According to him, the special quality of the post-socialist transition can be captured by the term *secondary re-modernisation process*². From this point of view, the central

² Sakwa, too, uses the concept of *re-modernisation* when he describes the process of transition in Russia. He argues that re-modernisation in Russia is more than just economic reform, and it could never be equated with Westernisation of the country. Moreover, earlier attempts at modernisation under Tsarism and the Soviet regime had endowed Russia with a relatively developed economic and social infrastructure. In 1991, however, the real task was the re-modernisation of the society in response to world developments and domestic problems arising from the inadequacies of the earlier patterns of modernisation. According to Sakwa, re-modernisation entails the radical reconstitution of the society and the values on which it is based. In Russia, this has meant that she has faced a three-fold transformation: the struggle for civil society, the transition to a market economy and the reconstitution of national consciousness, overcoming both the legacy of imperial thinking, at one extreme, and the problem of minority separatism at the other. (Sakwa 1993, 358-359).

question of sociological thinking, in relation to the post-socialist transition, is “how much of the state-socialist system has collapsed, and what is still alive under the new conditions?” When the post-socialist transition is understood as a re-modernisation process, its chances of success become marked by the tension between “socialist” and “post.” In other words, the results of the state-socialist upheaval - the structuredness of the object of transition through its historicity - can keep reproducing themselves and thereby cause further problems until an alternative institutional order has acquired enough credibility and strength to replace it. (Stojanov 1992, 218-219).

Altogether, Stojanov’s concept of re-modernisation rejects the idea of transition as a “clean table.” In this respect, he comes close to Offe, who favours a third, median position between the theory of modernisation and Genesis environment. According to Offe, *path dependency* “accords the post-communist constellation of social problems the status of an unprecedented special case of rapid social change, but at the same time keeps in focus the similarity of problems in the individual countries as well as the presence of social and cultural traditions, not to mention institutional and economic resources, typical only for particular nations.” Offe’s main point is that this leads to the expectation of a constrained plurality of nationally specific transitional paths. The course of these paths is determined not only by the communist history of the individual countries but, over and beyond this, by the economic, political and cultural preconditions created in the history of these individual countries over the last five hundred years. (Offe 1996a, 138).

Similarly to Offe, Smith and Pickles state that transition is not a one-way process of change from one hegemonic system to another. Rather, transition constitutes a complex

reworking of old social relations in the light of processes distinct to one of the boldest projects in contemporary history, i.e. the attempt to construct a form of capitalism on and with the ruins of the communist system. Therefore, transition is an evolutionary and path-dependent process, based upon institutionalised forms of learning and struggles over pathways that emerge out of the intersection of old and new. (Smith & Pickles 1998, 2).

In addition, among the theorists (e.g. Eyal et al.) who argue that there are, indeed, evolutionary pressures in transition countries, i.e. that there are models of institutions and behaviours which offer themselves to be copied or adapted in the new post-communist situation, there are also those who agree with the fundamental insight in the theory of path-dependence: that the heritage of past institutions and behaviour is consequential. (Eyal et al. 1998, 39).

Altogether, this brief overview of theories of transition shows that one of the most popular argument in "transitology" is the one that points at the legacies as a central component in understanding both the possibilities and the limits of transition. In fact, the argument is so common that it has provoked criticism; Elster, Offe and Preuss, for example, have argued that it is a truism to say that the present and its continuation into the future are determined by the past. The authors also point out that communist societies have at least three different pasts which have a causal influence on the present: the communist period, the more remote pre-communist period, and the very immediate period of extrication from the communist regimes. Therefore, it is possible that the communist decades may turn out to have been a brief historical episode without much lasting impact. The cultural and historical heritage of the pre-communist period may

prove to be more significant, and the traditional values and orientations which hibernated during the communist period may emerge again and determine the future of the post-communist societies. Moreover, the importance of socialist legacies may be called to question by pointing out the decisive role of the choices and outcomes of the national extrication processes. (Elster et al. 1998, 35-36).

Despite their criticism, Elster et al. bring forward one common argument often heard in relation to the ideas of path-dependency, i.e. the impact of the socialist legacy on the mentality of the people in transition. According to a commonly held view, the behaviour of the people in transition countries is still, to a great extent, determined by models and ideas of the communist past. In the words of Elster et al., "people in Eastern Europe have become used to patronage and protection under the old regime; they deeply distrust legal procedures and political elites; they tend to be sceptical of anything new and, thus, resist changes." Furthermore, the authors assume that these attitudes and patterns of behaviour will prevail at least during the early transition, constraining the speed and direction of reform. (Elster et al. 1998, 35).

The mentality of the people in transition countries is also a subject of Sztopka's analysis of transition processes. First, he notes that the two most frequently analysed processes of transition have been the emergence of political democracy and the emergence of market economy. Sztopka, however, wants to stress that the fall of communism was not only a political break from an autocratic, mono-party regime towards a parliamentary multi-party system, nor was it an economic break from a socialist, planned, command economy to a free capitalist market. Neither was it a radical transformation of institutions, or the restitution of some earlier social order or a

return to Europe and the West. What Sztopka wants to add is that *it started the construction of a new social order*: the fall of communism was a major cultural and civilisational break, a beginning of the reconstruction of the deepest cultural tissue and the slow emergence of a new post-communist culture and civilisation.

According to Sztopka, such a major cultural and civilisational break is at the core of the post-communist transition. The processes that run at the level of culture and civilisation embrace the soft tissue of society, the intangible assumptions, premises, rules and values. Changes in these originate in the spontaneous push from below, proceed in an incremental manner, and produce shared, taken-for-granted routines of social life safeguarded by codes, frames, themes and discourses. Cultural precepts tell societal members what ought to be done and believed in, either because it is good, or because it is done and believed by most people, or because it has always been done and accepted. In other words, culture invokes the authority of righteousness, normalcy, or tradition. (Sztopka 1996, 117, 120).

Furthermore, Sztopka divides the processes of transition into institution-building (democratisation and marketisation) and culture-building processes. He argues that, the relationship between the institutional and cultural levels must be treated as two-sided and reciprocal. Institutions are among the most important forces shaping the prevailing culture. They provide a framework for the actions of participating individuals and demand specific conduct: they distribute rewards and punishments for conformity or deviance. Lessons from individual instrumental learning become shared by societal members and, in this way, cultural demands reach the level of "social facts," in the Durkheimian sense. In other words, they become the seemingly given, external, and

constraining rules of social life, and are no longer the property of each individual member of society, but the collective property of the whole society. At the same time, the internalisation of certain cultural codes, rules, and values by the members of society is a pre-requisite for their meaningful functioning within institutions. Finally, Sztopka proposes a concept of "civilisational competence" to describe the set of such cultural premises. (Sztopka 1996, 117-118). In addition, he suggests that the institutional and cultural levels may fit together and may mutually reinforce each other. In such a situation, there is true consolidation of institutions and cultural adequacy. However, both levels may also manifest a lack of fit, incongruence, or contradictions. For example, in the political domain, new democratic institutions may not be matched with adequate political culture. This is the case in, for example, those post-communist societies where widespread cultural rules still dictate pervasive suspicion towards authorities, political apathy, and electoral absenteeism. Similarly, in the economic domain, capitalist institutions may already exist, but the entrepreneurship is missing. Moreover, there may prevail a focus on security rather than risk, or a reliance on governmental support rather than on oneself. (Sztopka 1996, 119).

These are all issues that have to be considered if we want to understand and explain the perceptions of social problems in transition societies. Thus, for the purposes of this study, the most relevant theories of transition are the ones which emphasise the importance of the socialist legacy or cultural inheritance - or legacies of the Leninist rule, as Jowitt calls it - in the process of defining the new social order.

It is difficult to predict what role - if any - the socialist legacy plays in influential groups' perceptions of social problems and to what extent the interviewees have

internalised the new values and rules or gained "civilisational competence." Nevertheless, the juxtapositions of "socialist" versus "post" and "continuity" versus "discontinuity" are crucial in constructing the context of this study, as is the question "how much of the state-socialist system has collapsed, and what is still alive under the new conditions?" To complete the context, it is important to know what the socialist legacy or inheritance is with regard to defining social problems. This will be examined in Chapter 3, where I discuss the way social problems were defined in the days of socialism. In addition to the above, the context of defining social problems naturally includes the process of institution building and its consequences to the well-being of the people in individual countries, which I will examine next.

2.1.1 Transition paths in Estonia and Russia

While all post-communist countries have turned from planned economy towards market economy and from totalitarianism towards more democratic forms of government, the nationally specific transitional paths have varied and will continue to do so (Törrönen & Hanhinen 1998, 13). According to Tim Unwin, one of the difficulties in generalising about transition in Eastern Europe is that the paths followed by individual countries, while they do have many things in common, also have unique characteristics (Unwin 1998, 290). This is well illustrated in the cases of Estonia and Russia, where economic and, especially, political restructuring have differed considerably.

Estonia is among the most rapidly developing and economically and politically successful post-communist countries. During the transition, all traits of shock therapy have been tested, and radical financial and economic reforms have been supported by

young right-wing politicians and centrist and social democratic political forces alike. (Lauristin 1995, 2). Furthermore, Estonia provides an excellent case study of the links between economic and political processes. Firstly, because of all the states of the former Soviet Union she has followed one of the most determined paths towards capitalist "modernisation" (or re-modernisation), and secondly, because Estonian politicians have sought to move as rapidly as possible towards integration with the European Union. (Unwin 1998, 290). Joan Løfgren argues that, in general, among Baltic political elites that strongly support the European Union membership, the European integration is seen as a way to pursue national-state interests by linking national identities more closely with Europe. In practice, Estonia has fared well in its attempts to join the European Union, as it was recommended for the first round of negotiations in 1998. (Løfgren 1997, 46-47).

However, even for Estonia, the beginning of the transition was anything but easy. Before the break-up of the Soviet Union, Estonia was fully integrated into its economy. Estonia, like the other Baltic countries, was an important industrial region where the people enjoyed a higher standard of living than in most other parts of the Soviet Union. Therefore, the first steps of economic transition were handicapped in Estonia by its former integration.

In Estonia, the deterioration of the Soviet economy caused major disruptions in trade, payment and monetary arrangements. A dramatic fall in output and serious problems of inflation followed (Cornelius 1995, Sutela 1994). Furthermore, attempts to redirect trade away from the countries of the former Soviet bloc did not succeed as fast as would

have been desirable, because the closest Western trading partner, Finland, was also affected by the Soviet disintegration (Kyn 1997, 271).

Despite suffering from major macroeconomic imbalances, Estonia has made significant progress in stabilising her economy. Also, privatisation has been relatively successful, and the new firms have been able to absorb most of the workers laid off by state enterprises and privatised companies. (Cornelius 1995, Sutela 1994). One explanation for the relatively rapid recovery of the economy is the fact that Estonia, like the other Baltics, had one advantage in comparison with, for example, the CIS states: in the 1920s and 1930s, the Baltic countries had well-functioning market economies, and therefore the institutions of market economies were not completely new to them. (Seliger 1998, 96).

An interesting indication of the high level of economic development in Estonia is that, during the time of her economic expansion and prosperity (1925-1930), Estonia ranked before Finland in terms of per capita incomes. Furthermore, at the end of the 1930s, Estonia still enjoyed a level of prosperity comparable to the Nordic countries. (Dellenbrant 1992, 22). Thus, in the case of Estonia, we can indeed talk about re-modernisation, at least as far as it means re-marketisation, re-privatisation and re-democratisation.

Regardless of the economic foundations that predate the Soviet occupation, economic transition and recovery could only start after the shock caused by the disruption of

Soviet trade. The transition of the political system, however, had begun before 1991³. This was mainly due to the active Popular Front, which played a crucial role in Estonian politics already before independence.

Initially, the aim of the Popular Front was to support the ongoing *perestroika* process. However, the emphasis of the Front's work gradually shifted towards promoting full political and economic sovereignty for the Baltic countries. Consequently, the ruling communist parties became fragmented and lost their decisive influence in political decision-making. (Dellenbrant 1994, 74-75, 92). By the end of the 1980s, the Popular Front of Estonia had established itself as the leading political force. This position was confirmed at the polls in 1990, when the Popular Front emerged as the single most important political formation and formed a government with the support of a number of small parties.

Political independence did not, however, solve the major political problems in Estonia. After the passing of a citizenship law that left a large segment of the Russian population outside the political process, the polarisation of the political system increased significantly. According to the citizenship law, re-established during the autumn of 1991, those who were Estonian citizens prior to the time of Soviet occupation and their descendants are entitled to citizenship; others may only apply for it after a naturalisation process. To be granted citizenship, one has to reside in Estonia for at least two years and pass a proficiency test in the Estonian language. (Dellenbrant 1994, 107, 112).

³ Although Estonia was fully integrated into the Soviet Union in terms of economic structures, the Soviet rule never gained political legitimacy in Estonia. According to Jan Dellenbrant (1992, 28-29), one reason for this was the fact that the incorporation of Estonia into the Soviet Union took place against the will of the majority of the population. The central planning system was also alien to Estonian traditions, as were political intolerance and oppression. In addition, there was the impact of nationalism: Estonians are a small people, and they felt threatened by the immigration of Russians and other nationalities.

Consequently, some 335,000 of the population (total population being 1,476,000) have non-citizen residency permits, and 100,000 Estonian residents have chosen to hold citizenship of another country. (The Economist Intelligence Unit 1997).

Altogether, with the exception of the conflicts caused by the citizenship law, Estonia has been able to achieve a significant degree of political stability, and the transition of power has been much smoother than in **Russia**, where the process of democratisation has faced many dilemmas.

Some of the problems in Russian politics can be traced back to pre-Soviet times. Sakwa has stated that, while the transitions in some East European countries, like in Estonia, entailed elements of re-democratisation, re-privatisation of property and re-liberalisation of social relations, there has been little "re" about Russia's transition, except the "re-modernisation." After the disintegration of the Soviet Union, Russians had to build the social, economic and political infrastructure for their first democratic and liberal system, and this had to be done with building blocks that had been thoroughly subverted by the Bolshevik attempt to create an alternative modernity. The institutional basis for Russian politics was different from that prevalent in Western Europe, a difference that predated the Soviet period. Russian social structures and values were also different, marked by distinctive roles played by the military, the intelligentsia, the peasantry and the working class. Thus, unlike in Estonia, in Russia democracy appears to have lacked an economic basis and effective social and political institutions which might have made the political system easily reversible. In addition, the old system had generated a set of social interests with an ability to make demands on the political system, and these demands only increased after 1991. (Sakwa 1993, 374- 375).

At the beginning of the transition, there emerged a great number of political parties, movements and coalitions. Many of them, however, faded away soon after their appearance. Furthermore, nearly since its emergence as an independent state, Russia has been the scene of constant political conflict. The conflict has been driven by the consequences of the decision to build a capitalist system in Russia, and particularly by the adoption of shock therapy to achieve that aim. Eventually shock therapy divided the previously unified Russian elite and sparked the growth of a significant opposition movement. In the 1995 election, these developments led a large share of the electorate to vote for the communists. (Kotz 1997, 200, 210-211).

Altogether, Russia's political evolution has increasingly followed a course of constricting the role of democratic institutions at the national and local levels and a political movement towards the Kremlin (Kotz 1997). In other words, although the old state-based resources of power have weakened, they have by no means disappeared. Despite attempts to radically reform the old institutions, few of them have been capable of reformation, and most have had to be rebuilt from scratch. Therefore, the new system represents an unstable symbiosis of old and new. According to Sakwa, August 1991 is only a symbolic date: it did not represent a complete rupture with the past as has sometimes been suggested. Thus, the relatively peaceful transition from communism and the incomplete status of the democratisation process have inevitably meant a high degree of continuity with the old. (Sakwa 1993, 378). On the economic side, the persistence of old institutions and structures of power is perhaps the most apparent in the phenomenon of *nomenklatura privatisation*, where privatised enterprises or their most valuable parts have been sold to their former management.

On the whole, the economic transition, aimed at creating a functioning capitalist market economy, has been relatively extensive. After the defeat of the August coup, Boris Yeltsin and Yegor Gaidar launched a set of radical reforms in order to dismantle the command economy and move to a market economy as fast as possible. Following the example of Poland, they adopted economic policies based on shock therapy, aiming at the rapid transformation of the economy and the immediate abolition of the old system. The shock therapy strategy included the liberalisation of prices, the stabilisation of the economy through monetary and fiscal policies and the privatisation of state enterprises. (Kotz 1997, 161-166).

Notwithstanding the political differences of opinion about how and to what extent shock therapy should be applied in Russia, in fiscal and monetary policy the shock therapy prescriptions have been followed reasonably closely. In some spheres, the shock therapy worked very effectively. Despite extensive problems in large-scale privatisation, small-scale privatisation proceeded more quickly than had been expected. At the turn of 1992 and 1993, nearly 150 million privatisation vouchers were distributed to the population, to be used to purchase shares in the newly created corporations. (E.g. Kotz 1997).

Shock therapy was applied in Russia for four years. It was supposed to bring about a rapid transformation of the Russian economy through the building of an efficient, technologically progressive, consumer oriented and prosperous capitalist market system. However, as we now know, this did not happen. Instead, what followed was a severe decline in production. During the four years following the introduction of shock therapy, GDP fell by 42 per cent and industrial production by 46 per cent. At the same time, consumer prices rose by 2,500 per cent following the freeing of prices at the

beginning of 1992, the consequence of which was a drastic decline in consumer purchasing power. (Kotz 1997, 173-174, 177). As I will show next, this has hardly been the only negative impact of transition policies. Despite the differing paths of transition and the fact that, compared to Russia, Estonia has fared much better in institution building, the countries have at least one thing in common: the severe social costs of the transition.

2.1.2 The social consequences of the transition

Due to the drastic fall in output throughout Eastern Europe, one of the most dramatic consequences of the post-communist transition has been a rise in unemployment. In many transition economies, unemployment rates have reached 10-15 per cent of the labour force (Cornelius 1995, 445). There have, however, been large differences in unemployment rates between countries. In economies where the transition process is less advanced, registered unemployment has remained relatively low. In most reform-oriented economies, unemployment has risen markedly. The Baltic countries are among the few countries that have managed to contain the rise in unemployment. (Cornelius 1995, Sutela 1994). Despite a notable decline in measured output at the start of the 1990s, the unemployment rate in Estonia in April 1996 was only 2.3 per cent (The Economist Intelligence Unit 1996). However, also in Estonia the transition to market economy has brought about many other social problems.

In all post-communist countries the transition shook the foundations of the Soviet social security system which a majority of the population had grown to value and rely on, namely guaranteed employment, social protection via subsidised prices, and enterprise-

based social benefits (Standing 1996, 230). In the new competitive environment, enterprises have been forced to abandon many of the social functions that were assigned to them in the Soviet era (Piirainen 1997, 227). In addition, the dramatic fall in output has led to reductions in personal incomes. In the context of the stabilisation policy pursued under the shock therapy, politicians let the level of the statutory minimum wage drop incredibly low. Consequently, in most post-communist countries, the minimum wage is well below the official subsistence level of income. (Standing 1996, 233).

Throughout Eastern Europe, there is widespread deprivation and impoverishment. Poverty rates have risen to levels typically found in low-income developing countries, with 50 per cent or more of the population living below the poverty line, as is the case in Russia. David Remnick (1997, 90), for one, argues that Yeltsin's reforms during the first years of his rule simply caused one million people to become rich and 150 million to become poorer. Studies conducted in 1994 suggest that workers are more than twice as likely to have a good or very good living standard if they work in the private sector, and those with a higher education and those living in large cities are also doing relatively well. The old, the unskilled and rural inhabitants are significantly worse off. As mentioned before, those with some existing capital (mainly the old *nomenklatura*) have been in the particularly advantageous position to acquire newly privatised assets at much below their real value. The other side of the coin is that many people are dependent on the state for their income. (Wyman 1997, 27-29).

All in all, over the course of the wage and price liberalisation, income distribution in Russia widened, even to the extent that, after a few years of building a capitalist market system, Russia had an income distribution roughly comparable to that of the post-

Reagan United States (Kotz 1997, 182). Relative prices increased the most in categories that had previously been the most heavily subsidised, particularly basic commodities, such as housing, heating, food, and clothing. These form a large fraction of the consumption of people with lower incomes. (Barr 1994, 80-81).

The same is true in Estonia: as a result of price liberalisation, an end to subsidies, and a low earnings policy, most people's incomes have barely sufficed to keep them above the poverty line. Measured using an official poverty line, established in 1994, approximately 10 per cent of the population fell into the poverty line category (Kutsar 1997, 82). Moreover, the heterogeneity of income structures has been growing steadily. The ratio of the income level of the poorest 20 per cent to that of the wealthiest 20 per cent in Estonia is one of the highest in post-communist countries. (Lauristin 1995, 3). Thus, for much of the population, the reforms have meant an end to their customary way of life. The scarce economic resources have not covered the gap between low incomes and rapidly increasing prices. In Estonia, prices increased 151-fold from the end of 1989 to the end of 1994. When the price level is taken into account, an engineer, for example, earns seven times less in Tallinn than in London. (Narusk 1996, 13).

There has, without a doubt, been an increase in subjective poverty as well, based on people's own perceptions of their economic conditions. The Estonian Living Conditions Survey has revealed that, at the end of the Soviet regime in 1989, when the shift to market economy had not yet taken place, the vast majority of the people found their conditions materially satisfactory or stated that they could make ends meet. Five years later, 20 per cent of Estonian households found their material conditions poor. The

transfer to a market economy had touched everyone; only 4.3 per cent of the respondents perceived any improvement in their situation. (Einasto 1997, 65).

Other indicators of welfare are also very discouraging. Life expectancy has dropped dramatically, especially in Russia where, in seven years, the average male life expectancy dropped by seven years. In Russia, morbidity and mortality rates have risen the most for young and middle-aged men, and the number of deaths officially attributed to alcohol poisoning has risen dramatically (Brym 1996, 414). According to Sakwa, there are many reasons for the high male mortality in Russia, ranging from the rising number of occupational and traffic accidents to the prevalence of heart disease, a high suicide rate, violent deaths and, most importantly, alcohol abuse. (Sakwa 1993, 258).

In post-communist countries in general, stress-related illnesses are becoming an increasingly prominent cause of death. According to Guy Standing, this can be due to the economic, social, and psychological shocks of the restructuring. These shocks have brought about a profound sense of insecurity that reflects an inability to adjust to what are totally new and trying circumstances. (Standing 1996, 250).

The general health of the Estonian population has similarly deteriorated. Life expectancy fell drastically between the years 1989 and 1994, especially for males. Until 1994, the average lifetime of women was some 5-6 years less in Estonia than in many developed countries. For men, the difference was 8-9 years. However, since 1994 life expectancy started to rise, reaching 64 years for males and 75 years for females in 1998. In this respect, Estonia falls between Finland and Russia. In 1997, Finnish men had a life expectancy of 73 years and Finnish women a life expectancy of 81 years, whereas in

Russia the figures for men and women were 61 and 73 years respectively. (Eesti Statistika Aastaraamat 1999).

In addition, social change is often characterised by an increase in crime. In all of the European countries that became independent after the dissolution of the Soviet Union, there has been a staggering increase in homicide, aggravated assaults, robberies and muggings. Both Estonia and Russia are among the high crime republics (Lotspeich 1995, 562). In Estonia, however, the change in crime has been remarkably less negative than in Russia. According to the Statistical Yearbook of Estonia, the number of recorded offences increased by 12 per cent in 1995-1997. Thefts account for 70 per cent of all offences: the total number of offences thus reflects, first and foremost, changes in the number of thefts. Despite an increase in the total number of offences, there are also positive trends to be seen: both serious offences and offences committed by juveniles are declining. (Eesti Statistika Aastaraamat 1999). The same cannot be said about Russia where, for example, the homicide rate continually exceeds that of the United States (Killias 1995, Kangaspunta 1995).

The social consequences of the transition, particularly the dramatic increase in the prevalence of many social problems, are compounded by the absence of a social security system oriented to dealing with the new social problems (cf. Standing 1996, 231). Under the communist regime, social policy was not considered a separate policy area with institutions and actors specific to it. Social policy was mainly seen as maintaining a labour force to meet a need defined by the party-state. All social benefits were tied to the work place. State enterprises provided various kinds of welfare facilities for their staff, and most cash benefits came with the job. This tight coupling of

production and social policy set the state-socialist welfare regime apart from all "worlds of welfare capitalism" in which social policy exists to increase productivity and efficiency in a much more indirect way than in centrally planned systems. (Elster et al. 1998, 204).

Now, however, all of the post-communist countries consider the profound reform of existing social policy systems an indispensable element of societal transition. The major political forces have envisaged distinct departures from the status quo. The economic liberals' reform program was to radically reduce state social protection and give emphasis to private arrangements instead. The liberals argued that the old social protection systems imposed too heavy a financial burden on the economy. Furthermore, they viewed radical social reforms as a necessary step in breaking the "culture of dependency" cultivated over the long period of communist rule. Altogether, the economic liberals have demanded that overall social expenditures be curtailed, that major welfare responsibilities be shifted to the private sector and that government support be targeted only to those in greatest need. (Elster et al. 1998, 206). In addition, whether it was politically desired or not, the dramatic fall in revenues led to the virtual collapse of existing social security systems in many Eastern European countries.

At the beginning of the transition in Russia, reformers were divided over the degree to which the inevitable hardships resulting from economic reform should be compensated: how generous should the system of social provision be for the weaker sectors of society to be adequately protected. On one side, there were the neoliberals, who accepted that economic reforms would inevitably entail a high social cost, and thus advocated complete deregulation and minimal control of the free market. On the other side, there

was the Civic Union, insisting that full-scale free market economic policies could not be applied in Russia because of its fragile state⁴. Yeltsin's government was in the middle, seeking to maintain a minimum threshold of welfare benefits while imposing cuts on the general level of social provision. In practice, however, the repeated promises to inject "greater social content" into the reforms have been defeated by the harsh imperative of financial stabilisation; budgetary constraints have forced a radical over-haul of the social security system, and it has been targeted towards just the low income groups. (Sakwa 1993, 259-260).

In Estonia, the implementation of the principles of market economy has similarly led to a new system of social security. In this system, personal responsibility, individual efforts and self-help have a highly important role in the creation of welfare resources necessary for coping with everyday life. Moreover, the decrease in GDP has significantly reduced the budget for social welfare services and, as a consequence, many types of services have been cut back. (Kutsar 1997, 81-82). In addition, the administration of social services has been separated from the administration of social security and the finance of social security has been separated from the state budget. Since 1992, responsibility for the provision of social services has been returning from the state to counties and to local communities (Leppik 1995, 28).

⁴ A centrist organisation, the Civic Union was formed in 1992. The significance of the Civic Union was that it marked the return of the previously slighted *nomenklatura* to the political arena. Its aim was to force the government to adopt a more moderate economic policy of "state capitalism" that would serve the economic interests of its constituency. (Shevtsova 1995, 14-15).

2.2 The Western transformation and the challenge to the welfare state

The social, political and economic processes in Finland are naturally of a very different character from those in Estonia and Russia. Overall, the ongoing social change in Western countries, although sometimes also called transition, is better described by the term "transformation" which refers to "change of form" rather than to "a passage from one state to another."

From the economic point of view, the Western transformation is normally regarded as a result of the development of global markets and new information technologies as well as the growth of mass cultural consumption. There have also been profound social and cultural changes. According to Peter Leonard, these changes may be summarised as challenges to modernity in which erosion of belief in the authority of a universal autonomous reason and in the politics which have accompanied the different forms of modernity has led to increased questioning, doubt and uncertainty (Leonard 1997, 22). Depending on point of view, the new era may be called "reflexive modernity," "postmodernity," "post-Fordism," "neoliberalism" or, as Anthony Giddens (1994) suggests, "post-scarcity" or "post-traditional society." Occasionally, the whole transformation process is described as "a crisis of the welfare state." This is due to the fact that one of the central features of the social change has been the questioning of the foundations of the Western welfare state.

Originally, the emergence of Keynesian politics in Europe was part of the modernisation process in Western societies. Differentiation between the institutions and activities of the state, the market and civil society was at the heart of this process. After the Great Depression of the 1930s, the differentiation process led to increasing

intervention by the state in the economic and social lives of the population. In some countries, like the USA, the political and economic justification for state intervention had its foundations in the liberal conception of intervention as a way of maintaining strong capitalist economies. In some other countries, like Britain and Sweden, more social democratic ideas were popular, and the aim was to create a "mixed economy." These ideas of progress through social intervention achieved a broad consensus amongst the ruling classes and elites of the West. (Leonard 1997, 3).

In Europe, the "golden age of the welfare states" was the period between 1945 and the mid-1970s. During this time, reforms aimed at creating a comprehensive and universal welfare state were introduced, based on the idea of shared citizenship. There was also commitment to directing more and more resources towards the rapid expansion of benefits as well as a system of extended welfare and a successful commitment to economic growth and full employment. (Pierson 1998, 122).

In Western economies, Keynesianism was linked with the large-scale implementation of a new system of production, Fordism, which emerged during the post-war era to meet the requirements of mass consumption. Fordism was also a critical contribution to governments' capacity to deliver full employment: by involving mass assembly lines producing standardised goods at an economy of scale both demanded and supplied by the new consumer society, it offered numerous and reasonably secure labour opportunities (Gaffikin & Morrissey 1992, 11, 20).

Another characteristic of Keynesianism, resulting from the commitment to full employment, was consensus building through which governments sought to secure an

economic policy. This legitimised the importance of functional groups in the making of economic policy, and the process of government became a series of bargains between these groups and the government. Consequently, Keynesianism came to stand for corporatism: the co-operation and negotiation of factions under the umbrella of the state. (Mullard & Spicker 1998, 31).

However, the originally broad-based political consensus about the foundations of the welfare states began to break down at the beginning of the 1970s. By and large, this was the result of a combination of profound economic, political and cultural changes spurred by the end of a long boom in Western economies.

There have been various more specific explanations as to why the self-evidency and legitimacy of welfare-state thinking were lost. Christopher Pierson argues that it was, above all, changes in the international political economy that undermined the circumstances for the promotion of national Keynesian strategies. The modern world economy had been internationalised and deregulated to such an extent that national governments and national labour movements could no longer regulate the domestic political economy as powerfully and with the same means as earlier. Thus, Keynesianism and the type of state characteristic to it became incompatible with the new international political economy which increasingly strengthened the bargaining position of capital over and against labour and weakened the authority and capacity of the interventionist state. (Pierson 1996, 123-124).

In the early 1970s, simultaneously with the crisis of the Keynesian welfare state, there began a massive restructuring of capital and labour, known as "the crisis of Fordism."

According to Bob Jessop, there is little agreement about the nature of Fordism or post-Fordism or the trajectories that might link them. Nevertheless, as a labour process, post-Fordism can be defined as a flexible production process based on flexible machines or systems and an appropriately flexible workforce (Jessop 1994, 19). In addition, as a consequence of increasing global competition, labour costs are blamed for stagnating economies. Therefore, in the transformation towards a new regime of accumulation built upon flexibility, companies are hurrying to replace their workforce with the new information and telecommunication technologies (Pierson 1994, 99, Rifkin 1995, 6).

However, as Pierson has pointed out, Fordism and its transformation involve far more than just modifications in the organisation of production. Some theorists have paid attention to the overall structure of regimes of accumulation, or modes of production, and particularly to "modes of societalisation," or patterns of mass integration and social cohesion. In the latter context, increasing attention has come to be focused upon changes in the nature of the welfare state. The argument is that the Keynesian welfare state, with its characteristic commitment to full employment, macro-economic demand management and growth-funded expansion of public welfare, was appropriate to the broadly Fordist regime of accumulation (Pierson 1994, 95). On the basis of this, one could expect that the crisis of Fordism would bring with it a transformation of the welfare state.

According to Paul Bagguley's list of the features of a post-Fordist welfare state, there will be a shift from a state-centred regime to a market-centred one. This change will not necessarily lead to the privatisation of welfare but is related to the restructuring of the remuneration package in the private sector. Within the state sector, market power will

become increasingly more important, which is expressed, for example, in internal contracting, meaning that there will be agencies working to contracts and institutional co-ordination through cash transfers. In addition, Bagguley predicts a shift in the forms of decision-making from corporatism to decentralised wage-bargaining and a process of de-institutionalisation, leading to a rise in community care which could be conceived as the end of the "Fordist asylum." (Bagguley 1994, 82).

Zygmunt Bauman has also stressed the role of the emergence of the post-Fordist mode of production in the declining welfare ideology. He argues that the rise of neoconservative elites, for example, does not alone suffice to explain why the "moral appeals to justice and legitimacy" which once promoted and boosted the welfare state's steady expansion are now being deployed, almost without exception, in the service of its radical reduction. In explaining the change, it should be remembered that the welfare state performed a crucially important role in the perpetual "recommodification of labour" by providing good quality education, health care, housing etc. Furthermore, the welfare state kept a "reserve" army of labour in a state of constant readiness for active service, and kept it in the right shape and condition. However, the prospect of employers needing again the services of the reserve army of labour under state-administered care is growing increasingly remote. Labour that is redundant at present may never again become a commodity, mainly because of an absence of demand. Such demand as is still likely to emerge on the domestic labour market, meaning a demand for casual, occasional, and "flexible" labourers, is likely to ignore the kind of well educated, robust and self-confident labour force that the welfare state, in its halcyon days, sought to cultivate. (Bauman 1998, 51-52).

Furthermore, the new age of production can be viewed from a "postmodernist" point of view, from which it can be seen as one response to the modern sophisticated consumers' demand for greater diversity and specialities. According to Frank Gaffikin and Mike Morrissey (1992, 195), reflecting a desire to reassess individuality in an atomised world, the post-Fordist era promises to put a premium on purchaser determination of design style and product. Bauman, too, argues that the welfare state is starkly out of tune with the climate of a consumer society. This is mainly due to the fact that, even if state-provided services were of much better quality than they are today, they would still be burdened with the fundamental flaw of being exempt from allegedly free consumer choice - a flaw that discredits them beyond redemption in the eyes of converted and devoted consumers. (Bauman 1998, 59). Thus, what really matters is "consumer sovereignty."

Altogether, by the 1970s, the three essential foundations of the post-war social democratic order - Keynesianism, welfarism and Fordism - were each in a precarious state (Gaffikin & Morrissey 1992, 12). Since then, the transformation process and its negative social consequences - among them unemployment and new poverty groups - together with the crisis experienced in state expenditures, have led to fundamental changes in the material conditions under which welfare states used to function. In addition, the economic development was soon reflected in the political sphere, where the reluctant welfarists, who believed that state social intervention was still necessary to the reproduction of capital and labour, were challenged by a neoliberal radical right.

The New Right took command of the welfare discourse by reasserting "fundamental Western bourgeois values" i.e. the rationality of market forces compared to the

bureaucratic irrationality of state intervention and the moral superiority of individual choice compared to the "tyranny" of collective decision-making. (Leonard 1997, 3-4).

Among the first countries where neoliberals got a strong foothold was the United Kingdom, where Margaret Thatcher challenged the commitment to sustain full employment through government-induced demand. For the welfare state, Thatcherism meant cutting costs by concentrating resources upon those in greatest need, restraining bureaucratic interventions in the daily life of the citizens, a greater role for voluntary welfare institutions, and encouragement to individuals to make provision for their own and their families' welfare through the private sector (Pierson 1994, 102-103).

Finland and the other Nordic countries had been building the most extensive welfare state structures and practices in the world since the 1960s. Welfare state policy thus maintained its legitimacy there far longer than anywhere else in Europe. During the last decade, however, the social democratic vision of the welfare state as the mechanism for taming capitalism through redistributive social policy has been losing its authority. Consequently, its core elements, namely a large state sector, extensive welfare provisions, high social welfare costs, high taxes, generous benefits and active labour market policies are increasingly being challenged (Marklund & Nordlund 1999, 19).

According to Gösta Esping-Andersen, the Nordic welfare states face two sets of challenges. Firstly, there is a growing disjuncture between the existing social protection schemes and evolving needs and risks, due to changes in family structure, occupational structure and the life cycle (which is becoming less linear and increasingly non-standard.) Secondly, the crisis is accelerated by changing economic conditions and

demographic trends. (Esping-Andersen 1996, 1-2). In Finland, the transformation is also spurred by weakening economic conditions, the effects of the global economy and the demands of the European Union which, together with the ageing population and changes in the socioeconomic structure, are a major challenge to the Finnish welfare state.

2.2.1 Transformation path in Finland

For the Finnish society, the turn of the 1990s marks a very clear turning-point. The most radical of the societal changes was the turn from affluence to depression in the beginning of the 1990s: the overheated economy of the 1980s, extremely free borrowing and lending and the collapse of the Soviet trade led Finland into its worst economic depression since the early 1930s. As a consequence, there was a sharp decline in GNP, followed by a notable rise in net foreign debt and unemployment.

The political situation was also reconstructed. In 1991, the 25-year rule of coalitions between the Social Democrats and different bourgeois parties was replaced by a purely non-socialist coalition between the Center Party and the Conservatives. (Lagerspetz & Hanhinen 1994, 26). In the 1994 elections, however, the Finns voted the Social Democrats back to power. At the beginning of the following year, Finland joined the European Union after a consultative referendum in which 57 per cent of the population were in favour of membership.

In addition to these changes, and partly because of them, the Finnish welfare state is in a state of transformation. However, while many other Western welfare states have long

been moving away from the universalist model of social policy and towards a more residualist, needs-governed system, Finland only admitted these terms into its welfare discourse after the dramatic economic hardships of the early 1990s when the "Thatcherite" or "neoliberal" ideas challenged the welfare regime.

Public debate on the problems of the welfare state and on how those problems could be resolved was particularly lively at the beginning of the 1990s. In this debate, one of the most extensively discussed issues has been the idea of transferring responsibility for social problems from state to civil society and individuals (Forma 1998, 37). According to the most radical view, the welfare state has reached its limits of growth. Behind this argument is the claim that the economy is in such a devastating state that there simply is no other alternative than to radically cut social expenditure. (Uusitalo 1993, 63).

In fact, since the beginning of the recession, cuts in welfare expenditure have affected a wide range of transfers and social services. For example, stricter qualifying conditions have been introduced for unemployment benefits. In addition, there have been cuts in social assistance, parental benefits and child allowance as well as health care, pensions, housing allowance and student benefits (Forma 1998, 43).

However, although there have been reductions in many cash benefits, the latest research clearly shows that the cuts have been by no means dramatic (e.g. Kautto et al. 1999). Thus, in spite of attempts to transfer responsibilities from the state to the markets, the families or the communities of civil society, the welfare state arrangements prevail: the systems of health services, education and pensions are still functioning and are strongly supported by the citizens. According to public opinion surveys, people of all social

classes agree that the public sector is the best provider of welfare services. Moreover, considering the notably increased risk of joblessness in all social groups, one might expect people to be increasingly in favour of the welfare state and the social safety net which it still provides (Forma 1998, 37). On the whole, it is doubtful whether we can actually speak of a legitimization crisis in the context of the Finnish welfare state. The situation is, nevertheless, unstable and open to unexpected changes (Hanhinen & Törrönen 1998, 59).

In spite of its mildness, even the Western transformation has had its costs. Although the social costs are considerably less severe than those in the East, the cuts to various benefits have resulted in greater inequality and impoverishment. Most importantly, unemployment has risen to unheard-of levels in many parts of Europe due to transformation processes⁵. Esping-Andersen argues that the main symptom of the crisis of the welfare state and the single largest problem in Europe is chronically high unemployment (Esping-Andersen 1996, 3). Finland is a good case in point. By 1995, the unemployment rate had risen to the unprecedented level of nearly 18 per cent, having been less than 5 per cent only ten years earlier. In addition, a variety of other social problems that had previously been thought to concern only marginal groups suddenly began to touch much larger fragments of the society. Poverty and increasing inequality consequently became major topics for public discussion. These kinds of problems were caused solely by the deep depression that shook the Finnish society at the turn of the decade. Another profound change has come with the membership of the

⁵ According to Gaffikin and Morrissey, the very basis of the pledge to full employment has been under threat ever since the beginning of the 1970s. As a consequence of the 1970's oil shocks, the average levels of unemployment in Europe have been substantially higher than they were in the 1950s and 1960s. There has, however, been greater divergence among the unemployment rates of different countries. In the 1980s, there were still countries which were committed to reattaining full employment. It was only after the 1990s recession that the situation changed completely. Since then, few, if any, European policy makers have promised full employment. (Gaffikin & Morrissey 1992, 12, 23, 25).

European Union. This, however, is still a relatively new issue and its consequences are, therefore, not yet clearly visible. Nevertheless, in the public discussion, the opening of borders (both to the West and to the East) has been seen as a possible threat, especially as concerns crime and drug problems.

Altogether, the Western transformation and its effects upon Finland serve as a context and a starting point for analysing the Finnish influential groups' perceptions of social problems. As concerns Finland, I will start my analysis from the assumption that, despite the unclear direction of the change, there truly are pressures to dismantle some of the foundations of the welfare state - mainly on economic grounds. For the implementation of social policy, for example, the transformation has meant that in dealing with social problems, the role of the state has decreased and the roles of the family and individuals have increased (cf. Törrönen & Hanhinen 1998, 10). As I will argue in the following chapter, this same trend can also be recognised in Estonia and Russia.

2.3 The common framework: the changing roles of the state, the market and civil society

Regardless of the many fundamental differences in the processes of social change in the East and the West, the societies in transition or transformation have some important similarities. Generally speaking, in all these societies, the roles of the state, the market and civil society are changing. More specifically, common tendencies that are supposed to affect the framework of defining social problems include a growing disbelief in state-guided universalist welfare building, the rise of neoliberalism and individualism, a hope

for the strengthening of civil society and the reconstruction of citizenship rights⁶. None of these components of social change are exactly the same in Estonia, in Russia and in Finland, but they are similar enough to be discussed under the same heading.

To begin with, in spite of the very different scale on which the changing role of the state is manifested in Estonia, in Russia and in Finland, the social change has, in each of these countries, brought about a diminishing reliance on state institutions as the providers of welfare.

After the collapse of communism, the state very rapidly lost its omnipotent authority in Eastern Europe. It has been argued that much of the ongoing transition can be conceptualised in terms of splitting up encompassing and multifunctional institutional compounds into smaller and functionally more specific units. Investment decisions are being separated from the state, the state is being separated from the party, the media from state control, social services from enterprises, local governments from central government etc. (Elster et al. 1998, 31-32). The trend to democratisation has had important implications for the development of welfare. In introducing a policy of de-statisation, the post-communist countries have wanted to abandon state-ownership, as well as state subsidies and welfare provision, and encouraged private initiative and responsibility. These aspirations and measures of the political elites have been backed by international organisations such as the IMF and the World Bank. Also, various justifications and rationales have been given for abandoning the ideology of

⁶ Each of these categories includes concepts which, in Western social science, have been defined in multitude of ways. It is also open to question just how they can be applied in post-communist countries where, for example, the concept of civil society has just "re-emerged." Each of the concepts will be defined here with the accuracy that I think is necessary for conceptualising and understanding the framework of the study.

comprehensive state intervention: political (the reconstitution of pre-Soviet society), moral (the change of work and social ethos), psychological (freeing people from state-dependency), and economic (relieving the state's burden) (Blom et al. 1996, 10, quoted in Törrönen & Hanhinen 1998, 14).

As pointed out in the previous chapter, the state is now seeking to redefine itself in Western countries, too, after more than a century of continuous increase in state intervention. It is a commonly held view that the role of the state as the provider of a wide range of public services is self-evidently coming to an end. In many countries, the process of privatisation and the introduction of quasi-markets in the delivery of core public services have become permanent features of the welfare state landscape.

Moreover, as Leonard has put it, the postmodern emphasis on difference and the accompanying disillusionment with "big state" solutions to social problems are leading to small-scale, local forms of welfare and to community based advocacy and consumer-controlled projects and agencies. This is often justified by pointing out that welfare organisations that are close to the people they serve are more able to relate to the diverse needs and social identities of a specific population with its particular configurations of gender, class, culture, ethnicity, and other social characteristics. (Leonard 1997, xii,1).

In addition, the welfare state is challenged by globalisation, which seeks to redefine the relevance of the welfare state. One common argument is that the globalised economy has contributed to the decline in the influence of the nation-state and, therefore, national governments in the 1990s are less able to deal with the risks of globalised economy, whether they be economic, social or environmental risks. The language of

competitiveness and more flexible labour markets increasingly translates itself as a series of policies of retrenchment: social policy becomes equated with social costs and is therefore perceived to be a burden on competitiveness and employment. (Mullard & Spicker 1998, 193).

Generally speaking, globalisation pressures are forcing countries to converge upon one another. One example of this is the spread of neoliberal ideas throughout the Western and Eastern worlds. According to Nikolai Driakhlov, the end of the Cold War and the collapse of communism have led to the triumph of certain liberal democratic values. Furthermore, while not arguing that Russia, for example, has the same type of social, economic, or political system as its Western counterparts, he nevertheless states that similar pressures "to convert into liberalism" exist in both worlds. (Driakhlov 1996, 80). In fact, it is a commonly held view that one of the main aspects of post-Soviet development has been a reliance on a neoliberal agenda, based on the traditional separation of state and market, with the emphasis on unleashing the power of the market (e.g. Smith & Swain 1998, 26). In addition to the separation of state and market, neoliberal thinking emphasises the autonomy of the individual as well as civil society that is independent from the state. These issues will be discussed in more detail in the following chapters.

The rise of neoliberalism and individualism

As stated earlier, the rise of neoliberalism, and in particular the rise of Thatcherism, has been challenging the social democratic hegemony in the Western welfare states since the 1970s. The categories of social democracy and neoliberalism are wide, and it would

be neither desirable nor practical to go through all the various definitions in this study. It should be noted, however, that neoliberalism has two strands. The main strand, which is the origin of the New Right, is conservative. According to Giddens, this neoliberalism, or Thatcherism, stands mainly for minimal government, autonomous civil society, market fundamentalism and strong economic individualism. In addition, it sees the welfare state as a mere safety net, unlike social democracy which supports the idea of a comprehensive welfare state that takes care of its citizens "from cradle to grave." The other type of thinking associated with free market philosophies differs from the conservative one in that it is libertarian, on moral as well as on economic issues. (Giddens 1998, 5-6, 8).

Jerzy Szacki, who has written a thorough study on the rise of liberalism in Eastern Europe, rejects the term "neoliberalism" in an Eastern European context. According to him, the liberalism now emerging in Eastern Europe is closer to the old form of liberalism forgotten in the West a long time ago. As concerns the definition of liberalism, Szacki, following the ideas of C. Wright Mills, points out that "as a kind of political rhetoric liberalism has been banalized: now it is commonly used by everyone who talks in public for every divergent and contradictory purpose." (Szacki 1995, 22). It seems that the same has happened with the concept of neoliberalism. Both of these concepts are often used lightly, without any kind of definition. They are normally used as general descriptive terms referring to one and the same thing: the basic principles of liberalism.

According to Szacki, as far as liberal social philosophy exists, it is a philosophy that speaks the language of the rights of the individual. The emphasis on individual rights

clearly distinguishes liberalism from the great schools of social philosophy which take the needs of the community as their starting point. The needs of the community can, after all, be understood in any of a multitude of ways: as the needs of the nation or of a class, the people, or any other social collectivity.

In general, the liberals argue that the role of the state must be limited for the sake of individual freedom, and that the minimal state is the most extensive state that can be justified. Any state more extensive than that violates people's rights. The state, the argument continues, is needed to protect the freedom of the individual from the depredations of others. Therefore, it has the basic functions of maintaining order, providing defence, and perhaps, to some degree, acting as an arbiter in disputes between individuals. This is the limit to which the state may act. If it extends its influence further, the freedom of the individual is infringed. (Mullard & Spicker 1998, 54).

Altogether, Szacki has a point in his summary when he states that "in a sense, the absurd conception of the state as a night watchman, which has been regarded as a distinctive characteristic of old and classic liberalism, in fact does capture the spirit of the liberal idea about the state, because what is most important in social life takes place without the participation and initiative of the state." As concerns the economy, liberalism has been strongly associated with *laissez-faire* thinking. According to Szacki, despite its narrowing scope of application over time, the principle of *laissez-faire* has never been abandoned by liberals as the most general principle of social engineering. (Szacki 1995, 34).

Furthermore, as regards the basic principles of liberalism and the Western transformation, it is relevant to point out that, against Keynesian practice, the liberals

condemn corporatism. In the words of Maurice Mullard and Paul Spicker, the market liberals have argued that "decisions made behind closed doors" are likely to be more arbitrary and unjust than the market place and it is, therefore, always better to leave the decisions to the market and individual self-interest. In addition, Keynesianism is seen as the source of a range of problems, including inflation, inefficiencies and unemployment. Within a liberal market framework, unemployment is regarded as the result of rigidities in the market, of market regulation and intervention, the impact of trade unions and the high level of social security benefits. In practice, the shift in macro-economic thinking from Keynesian to a market approach has meant that governments have abandoned the concept of creating employment through fiscal policy. Instead, the emphasis is on supply-side economics and economics of flexible labour markets, which shift the focus to reducing the influence of trade unions in wage bargaining and to lowering social costs. (Mullard & Spicker 1998, 58, 193).

On the whole, all the basic principles of liberalism are the same as those of neoliberalism, presented earlier by Giddens. That is why, when later I refer to "the liberal style of thinking" I will use the currently more popular term of "neoliberalism" rather than "liberalism," unless there is a specific reason for referring to other types of liberal thinking.

In any case, the interesting thing about this type of thinking is the fact that neoliberal values are experiencing a true renaissance in countries which have almost no liberal tradition and which, a bare few years after the political fall of socialism, cannot be called liberal in any of the innumerable senses of the word. In Eastern Europe, a surprisingly large number of people confess to some form of liberalism. In many circles,

being a liberal is regarded as a sign of normality, European thinking, progressiveness, and other cardinal virtues marking the passage from real socialism to a new system. From the point of view of many participants and observers, the break-through of 1989 was nothing short of a historical victory of liberalism over socialism and the start of the Eastern European countries' return to their natural path of development from which they had been shoved aside, many years earlier, by communism. (Szacki 1995, 1-4).

According to Szacki, the supporters of liberal thinking do not see it as just another ideology among the many orientations that have sprung up like mushrooms, but as something more: the harbinger of a new society that should be built as quickly as possible. Discussions on some "third," still unknown, path have waned; the direction seems clearly marked, and the debates are ever more often confined to how and how quickly to proceed in this direction. The liberal style of thinking has thus become one of the most important tools for arranging the political scene and guiding the discussions on the direction of the reform. (Szacki 1995, 3).

Furthermore, Szacki argues that another factor advancing liberal values in Eastern Europe is the renaissance that liberalism has recently experienced in the West. Even though the present condition of liberalism in the West is not what its supporters in Eastern Europe would hope, having shown an exaggerated tendency to associate liberalism with the economic policies of Ronald Reagan and Margaret Thatcher, there is little doubt that, in the last half-century, the climate of opinion in the West has changed in favour of capitalism and the free market. (Szacki 1995, 6).

How strong the renaissance of liberalism is in, for example, the Nordic countries is open to question but, as far as the post-communist countries are concerned, Szacki is probably right when he states that liberal ideology can be expected to retain its attractiveness for many years to come. The reason for this is its unrivalled ability to satisfy the strong need in these countries to oppose the remains of the old way of thinking while offering hope of something much better in the future. (Szacki 1995, 7).

It is also true, however, that although the East European countries experienced a "neoliberal" shock in the first years of transition and became acquainted with various aspects of the market economy, it is evident that no "liberal revolution" has, as yet, taken place (Szacki 1995, 9). It has also been argued that, given both the pre-communist and communist traditions, the future models of democracies are likely to place great stress on collective rather than individual action, and the state will probably retain its pre-eminence as the dominant political and economic actor, at least in the foreseeable future (Schöpflin 1997, 279). Furthermore, for example Anton Steen (1997) suggests that collective responsibilities are so deeply rooted in the East European mentality that strong liberalism does not seem very likely. One could also assume that the social consequences of shock therapy would make any overly liberal policies questionable. Here Poland is a good example.

The Polish transition started soon after the mid-1980s Western economic boom that had seemed to confirm the efficacy of neoliberal economics. The key figures in transformative economics, such as Leszek Balcerowicz, understood the effect; these same theorists have, very credibly, also been called Thatcherites. The architects of fast-track privatisation and the people of Poland were, however, absolutely unaware of the

social and economic consequences, such as mass unemployment, that the country was to face. They seemed to assume that the state would be able to control the spread of joblessness. According to Aleksander Marcinkowski and Jerzy B. Sobczak (1995), the emergence of mass unemployment destroyed the idealised portrait of market economy that had been common in the Polish society during socialism (see also Sobczyk 1995). At any rate, by 1993 the exaggerated expectations of rapid economic transition, held by politicians, people and Western economic advisers alike, had been exposed as such (Bryant & Mokrzycki 1994, 6). Consequently, Balcerowicz and his program became popular scapegoats for socio-economic ills in the Polish society, and in the fall of 1993 the communist parties returned to power. Since then, assorted pressure groups have been making strides towards entirely stopping the liberalisation and marketisation of the public sector and guaranteeing it a special, legally protected and economically privileged position in the economic system. As a consequence, according to Voytek Zubek, liberalism seems to lack a proper political vehicle that would reintroduce it into the political mainstream in the foreseeable future.⁷ (Zubek 1997, 196, 198).

As stated earlier, one of the basic principles of neoliberalism is the sovereignty of the individual. The rise of neoliberalism is, therefore, often closely connected with the process of individualisation. In addition, Western sociology regards individualisation as one of the main components of the ongoing social change, whether it be approached from the point of view of postmodernity, reflexive modernisation, post-Fordism, post-traditional, post-scarcity or risk society.

⁷ It is interesting to note that the Polish influential groups interviewed for the Baltica study would probably have strongly disagreed with Zubek as, despite their demands that the state should take action to tackle unemployment and other major social threats, their reliance on neoliberalism and free markets was unflinching. (Sobiech 1998, Hanhinen 1998).

Like liberalism, individualism probably has as many definitions as there are definers. According to Giddens, for example, a post-traditional society is a society characterised by individualism that is associated with life styles, life politics and life projects which presume individual choice and autonomy.

From the point of view of welfare policy, the process of individualisation is quite significant. Post-traditional society still has a place for welfare, but it is a form of welfare that enables personal autonomy, and choice. (Giddens 1994). In postmodern terms, in contrast to the homogeneous approach of the welfare state, postmodernity seeks to give primacy to difference and pluralism (Mullard & Spicker 1998, 146).

Offe, too, emphasises the role of individualisation in the Western transformation. He states that the diminishing political support for the welfare state cannot be fully explained by economic and fiscal crisis arguments or by political arguments; nor can it be countered with claims about the justice and legitimacy of existing welfare state arrangements. Instead, what the ongoing social change leaves behind is a pattern of deep distrust of social policies as "public goods," which tends to unravel such policies, if we look at them in terms of gains and losses, exploitation, free-riding, redistribution - that is, individualist "economic man" categories. (Offe 1996b, 172).

As concerns Eastern Europe, the starting point for the discussion on individualisation is naturally very different. As Szacki, slightly dramatically, points out, "the evil of communism was that it deprived the individual of the right to dignity, made him an object of manipulation, stripped him of his identity and forced him to live in conflict with his conscience" (Szacki 1995, 84). After the collapse of communism, however,

tendencies towards increasing individualism can be recognised also in the Eastern parts of Europe. According to Szacki, one unmistakable sign of an opening up towards liberalism has been the growing popularity of two ideas, namely the idea of the autonomy of the individual, adopted as a starting point in politics, and the idea of civil society as a sphere of activity independent of the state: activities are undertaken spontaneously by individual subjects, who among themselves establish new relationships, reach agreements and, consequently, create new forms of public life. As Adam Seligman writes, "it is after all the very existence of autonomous, agentic individual that makes civil society possible at all." (Szacki 1995, 77, 110).

All in all, as far as Estonia, Russia and Finland are concerned, it is evident that no neoliberal revolution has, as yet, taken place. Nevertheless, on the basis of the above theoretical considerations and the debate on welfare policy in the countries in question, it can be argued that there is a tendency towards more liberal social policy, emphasising the autonomy of the individual and diminishing the role of a "paternalising" state in taking care of social problems. In addition, whether due to a rise in neoliberal thinking and individualism or, simply, to a lack of willingness or ability to take care of social problems on the part of the state, the social change in the East and the West does involve a hope of transferring at least some of the welfare functions from the state to civil society.

The rebirth of civil society

In Western countries, arguments emphasising the need to increase mutualism, voluntarism and self-help have been an integral part of the criticism targeted against the

Western welfare states. As discussed in the previous chapter, hostility to big government is a first and prime characteristic of neoliberal views. Furthermore, the thesis of the minimal state is closely bound up with a distinctive view of civil society as a self-generating mechanism of social solidarity (Giddens 1998, 11).

Offe has made a similar point by stating that perhaps the only new argument within a broad discourse emphasising the long-term incompatibility between the welfare state and a liberal market society is the proposition that the damage that the welfare state inflicts on the liberal order is not so much immediately economic but moral in nature. Proponents of the argument have suggested that the fiscal crisis and the economic inefficiency crisis of the welfare state are mediated through a moral crisis. Its critics have argued that, due to its abstract formal-legal *modus operandi*, the modern welfare state has cut itself loose from the moral resources, common values, and potentialities for solidarity within civil society, thereby rendering these resources useless and adherence to solidarity commitments worthless. (Offe 1996b, 149-150).

It is also true, however, that in the West the actors of civil society have played a guiding role as designers and proponents of social policies and social policy institutions. Therefore, as concerns the Western welfare states, "the rebirth of civil society" refers to a strengthening of the informal sector between state and market and, also, to the increasing independence of various civil organisations from the state, with which many of them have so far allied themselves.

In post-communist countries, "the rebirth of civil society" has a very different meaning. It is a well known fact that the whole concept of civil society was abandoned and even

discredited in socialist countries, and it is only after the breakdown of the Soviet Union that the concept of civil society has gained new actuality (cf. Lagerspetz 1996, Sztompka 1991). In other words, in socialist countries, there was no intermediate and autonomous sphere between the economy and the market⁸. Furthermore, as Offe has put it, there was a complete absence of strong, competent, mutually recognised, representative and co-operatively minded collective actors (Offe 1996b, 239). Consequently, one could simply argue that there was no civil society in the Soviet Union.

The issue is, however, a little more complicated than this. In fact, there existed numerous associations outside the communist party. In several countries, there were also other parties and so called mass organisations. The trade unions comprised almost the whole population. In addition, there were youth and women's organisations, international friendship organisations, sports clubs etc. According to Göran Therborn, what was lacking in Eastern Europe is not really covered by the Western notion of civil society. Rather, it is something that could be called *autonomous public*, the possibility to express a genuine opinion in public. (Therborn 1995, 324-325).

Szacki, too, argues that the absence of the term did not mean absence of the concept, which appeared almost simultaneously with the dissident movement under such names as "independent culture," "parallel structures," "alternative society" or "independent society." Thus, above all else, the idea of civil society in Eastern Europe appeared as an

⁸ As Mikko Lagerspetz has pointed out, the concept of civil society is an old one, and the term has been used in many different senses. What unites the different definitions is that they all refer to a sphere which is relatively independent from the state. In this sphere, there can be interaction within and between social organisations of various kinds. (Lagerspetz 1996, 43). For the purposes of this study, civil society is defined simply as "a sphere of social interaction between economy and state, composed, above all, of the intimate sphere (especially the family,) the sphere of associations (especially voluntary associations,) social movements and forms of public communication." (Cohen & Arato 1992, ix).

*anti-state idea*⁹ (Szacki 1995, 90-91, 94). Sztopka takes this idea even further by stating that the revolution of 1989, for which a decade of growing opposition against communist system prepared the ground, was "a revolution in the name of civil society" (Sztopka 1991, 309). Although Sztopka refers only to countries of Central Eastern Europe, he would not be far from the truth even if the idea were transposed to Estonia.

In Estonia, some initial attempts at restoring civil society were made at the end of the 1980s, when the Popular Front grew into a mass movement. It had the support of almost all Estonians, and could challenge the authority of the government and the communist party of the republic. (Lagerspetz 1996, 40). Moreover, a free press developed, a multi-party system was developed at the grass roots level, the citizens had the new experience of voting in free elections, and the society became more open to the outside world (Kutsar 1997, 80). The 1990s have seen a boom in civil society organisations. Many of these organisations have been showing an interest in the field of social welfare. It should be noted, however, that most of them have concentrated on publicising their members' problems rather than actually providing assistance or services. (Leppik 1995, 28).

If the rebirth of civil society has been somewhat problematic in Estonia, in Russia it has been positively stumbling. Among many others, Stojanov argues that the economic groundwork for a true civil society does not exist in Russia because, due to its socialist past, it has no actors with "real" and positive interests. And there is no other instance beside the state that could create the required conditions for their development.

⁹ It is noteworthy that, much as in Eastern Europe, the return to the idea of civil society in the West is also *anti-statist*, for there is a movement under way to oppose the impersonal structures of state administration by forming as direct relationships among citizens as is possible. (Szacki 1995, 94).

(Stojanov 1992, 221). Piirainen has, similarly, paid attention to the fact that, although the public sphere in Russia is developing and assuming the functions of a mediator between the official and the private, the logic of operation at many Russian public institutions, especially in the sphere of politics, will continue, for some time, to be reminiscent of that of primary groups or official state organs, regardless of the fact that the institutions already have the outer appearance of institutions of civil society. (Piirainen 1997, 223-224).

The idea of civil society in post-communist countries is well captured by Sztopka. According to him, "in the course of the struggle and accompanying intellectual debates the concept of civil society has acquired three distinct meanings." Firstly, there is the *sociological concept*, which has antecedents in the classical theories of human communities and groups: those of Ferdinand Tönnies and George Simmel. From this point of view, civil society is a synonym for community or mezzo-structures, i.e. the intermediate sphere in the variety of human groups between the micro-level of the family and the macro-level of the nation-state. As noted already, from this perspective, the main weakness of communist society has been defined as the sociological vacuum that exists between the level of primary groups and the level of the national society. It will take time before this sphere regains normal proportions but, according to Sztopka, the "sociological vacuum" is certainly not there anymore, for there has been a veritable explosion of new organisations and political parties after the collapse of the Soviet Union. (Sztopka 1996, 122-123).

Another sense of the concept, revived by Eastern European intellectuals, is the *economic concept*, related to the classical legacy of Karl Marx and Max Weber. Here,

civil society refers to the autonomous sphere of economic activity and relationships and to a mode of production rooted in private ownership, moved by entrepreneurial initiative. The actors operating in that sphere are labelled "bourgeois" in traditional language and "the middle class" in modern terminology. Again, Sztopka's argument is that civil society, in this sense of the term, has been at least partly reconstituted: a rudimentary market now exists, and a sizeable middle class has emerged. (Sztopka 1996, 123).

The third sense of the concept may be called the *cultural concept*. From this point of view, civil society is synonymous with "developed emotional community," bound by a tight network of interpersonal loyalties, commitment, solidarities, and trust. Furthermore, it means the identification of citizens with public institutions, a concern with the common good, and a respect for laws. Thus, civil society is the arena of social solidarity defined in universalistic terms: it is the we-ness of national community and the feeling of togetherness that transcends particular commitments, loyalties, and interests. As regards civil society in its cultural sense, Sztopka makes an important point with his notion that "those in democratic opposition who picked out such a meaning for civil society were fighting against a vicious legacy of the communist regime: growing fragmentation, atomisation, uprootedness, and anomie." (Sztopka 1996, 124).

These three distinct senses of civil society are also useful in comparing the development of civil society in Estonia, Russia and Finland. It is self-evident that in Finland, like in all Western welfare states, the structures of civil society according to either the sociological or the economic concept have been there for decades. In these senses, civil

society has also been at least partially reconstituted in Estonia and Russia. However, if we use the cultural concept, it is doubtful whether - or to what extent - there has been a rebirth of civil society in any of these societies. In all three countries, it has, so far, been the state and not civil society that has been the arena of social welfare. Now that the state's role is diminishing and civil society is not yet willing or able to take responsibility for dealing with social problems, it appears that the post-communist countries may not be alone in facing growing fragmentation or anomie.

Ralf Dahrendorf has provided an answer to the question of what is needed to avoid such fragmentation and anomie. In addition to civil society, he speaks about morality and institutions. According to him, "morality tells us what to aim for and what to avoid: it not only inspires decency and humanity in everyday life but also the wish to see life changes spread to all humans, and the actions which flow from this desire. Institutions are the instrument of improvement; at their best, they give reality to the aspirations of the open society, like the institutions of democracy which enable us to elect those by whom we are governed but, more important still, to remove them from office if we feel that they have gone astray. Civil society provides the lifeblood of liberty; its creative chaos of associations gives people the chance to live their lives without having to go begging to the state or to other powers." Dahrendorf concludes aptly with the statement that "perhaps the concept which best sums up all these hopes is *citizenship*." (Dahrendorf 1997, 50-51).

Reconstruction of citizenship rights

As regards the concept of citizenship, it should be noted that it has two dimensions: "nationality" and "citizenship proper." The former is a purely legal status which embodies the legal bond of affiliation of an individual to a particular state and which has to be respected by other states according to the rules of international law. By contrast, citizenship proper defines the role of the individual as a competent member of the polity. Roughly speaking, the concept of nationality applies in the international sphere, whereas the concept of citizenship is relevant in the national sphere. The two concepts are inseparably connected in that, today, no single state grants the rights and benefits of citizenship to individuals who do not possess its nationality - while in the reverse case, nationals of a particular state may be excluded from the rights and duties of citizenship in this state. It is particularly in the cases of external and internal minorities that both nationality and citizenship can become a problem. (Elster et al. 1998, 88).

Eastern Europe provides many examples of the tightening of access to national citizenship. In a number of post-communist countries, citizenship laws have been drawn up to exclude either former colonising citizens (Russians in Estonia) or oppressed minorities (the Romany population in the Czech Republic and Slovakia) from access to some of the benefits of citizenship. From the point of view of welfare policy, an important factor here is the possible consequential exclusion from social assistance rights. (Deacon et al. 1997, 17).

In Western countries, the development of citizenship rights is closely connected with the development of the welfare state. In fact, the welfare state can be seen as the high point of a lengthy process of evolution of citizenship rights. According to the famous analysis of T.H. Marshall, modern citizenship is the fruition of a democratisation that spans three centuries. In the eighteenth century, the foundations were laid with the principle of legal-civil rights; political rights emerged in the nineteenth century and, as a preliminary culmination of the democratic ideal, we see the consolidation of social citizenship in the twentieth century. (Esping-Andersen 1996,1). Thus, citizenship in modern Western societies consists of three interdependent components: political democracy, the welfare state and market economy. According to T.H. Marshall, these three components must exist in equilibrium with each other in order to guarantee full citizenship rights. (Dean & Melrose 1999, 82).

Furthermore, like many others in the early post-war period, T.H. Marshall expected that welfare systems would progressively expand, matching economic development with the ever fuller implementation of social rights. (Giddens 1998,10). However, despite what early modernisation theory believed some decades ago, the new emerging industrial democracies do not appear set to converge along the Western welfare state path. According to Esping-Andersen, this raises the question "was Marshall, then, wrong to assume that modern civilization is cumulative and irreversible?" (Esping-Andersen 1996,1).

As concerns legal and political rights, T.H. Marshall was right, considering that these rights have been firmly established in most parts of the advanced, industrialised world. The same cannot be said for social rights, which remain subordinate to other kinds of

rights. While civil rights are enforceable through the courts and political rights through the electoral system, social rights are altogether more vulnerable, having no distinctive forum for their expression or realisation. The enforcement of existing social rights is dependent upon administrative procedures, and the development of social rights is dependent upon the political process. (Dean & Melrose 1999, 90).

In fact, the questioning of social citizenship has played a part in the Western transformation. As stated earlier, it is a widely held opinion that the welfare state has become incompatible with other cherished goals, such as economic development, full employment, and even personal liberties (Esping- Andersen 1996, 1). The principles of social citizenship have been questioned especially by neoliberals, and the impact of this can be seen in the privatisation or "marketisation" of state welfare provision. (Dean & Melrose 1999, 89).

In addition, the ongoing transformation is changing the role of the citizen, and a new relationship between the citizen and the state is emerging as a consequence of this (cf. Virtanen 1995, 80). The essential question in this change, a question that draws together the other components of social change discussed above, is "how is a shift from state to civil society and the market in welfare policies going to affect the principles of social citizenship?" This question is also relevant in the context of Eastern transition, in spite of the fact that the development of citizenship rights has taken a very different path in the countries of Eastern Europe.

The status of citizenship, associated with the work of T.H. Marshall, has connotations of human dignity, civilised society and an inclusionary ethos. As George Kolankiewicz

points out, all of these were destroyed in Eastern Europe through the workings of a system that reduced individuals to atomised objects, subordinated morality to political and ideological imperatives and excluded them through the perfidious nomenklatura mechanism. (Kolankiewicz 1992, 142). Moreover, the absence of political and civil rights made it possible for the socialist regimes to marginalise non-state sources of welfare. As discussed above, communist ideology denied the existence of civil society and institutions providing welfare independently of the state. (Cf. Rose 1993, 228).

Regardless of the absence of civil and political rights, the people in communist countries did have rights associated with social citizenship. According to Richard Rose, democracy is neither a necessary nor a sufficient condition for the provision of education, health care or social security. For four decades, Soviet regimes demonstrated that a welfare state can deny civil and political rights to its subjects and defend such actions in terms of collectivist values. (Rose 1993, 222). Thus, before the transition, the communist countries were "undemocratic welfare states" in the sense that there existed state based social benefits but no political rights. It is doubtful, however, whether the concept of social rights can be applied to communist countries. One could also argue that there were no social rights, only benefits that were used to maintain a productive labour force. The lack of citizenship rights in the Soviet Union can be additionally stressed by pointing to the fact that social rights are only secondary or enabling rights, whereas the rights that were completely missing, i.e. civil-legal and political rights, can be considered as primary rights.

Nevertheless, the former communist countries provide a good example of how quickly political and civil rights can be achieved. In fact, in a matter of months most East

European countries successfully overthrew their authoritarian regimes and introduced freedom of speech, assembly and free elections (Rose 1993, 236-237). The matter of reconstructing social citizenship is, however, a more complicated and less self-evident one. The question of how the issues of social justice and citizenship are resolved (or defined) in post-communist countries has become very crucial in determining the nature of the new social policy regimes. (Deacon 1993, 187).

As concerns the reconstruction of social citizenship, both in Eastern and Western Europe, it is important to note that, in recent analysis, the focus has shifted: citizenship rights are no longer regarded as established on the grounds that economic and social goods are provided for society members. Citizenship is viewed as requiring the active articulation by citizens of their often diverse needs and the active involvement of citizens in the societal mechanisms that exist to meet their needs. Thus, according to Bob Deacon, the issue of citizenship is precisely whether all or only some of society's members are ready and able to be active agents in the articulation of and meeting of their own and others' welfare needs. (Deacon 1992, 4-7). In other words, are the actors of civil society willing (or able) to act on behalf of extensive social rights in case the state does not guarantee them anymore?

Altogether, T.H. Marshall extended the idea of citizenship to refer to the social rights associated with welfare, and the idea of citizenship has, so far, been used to refer to a general and inclusive status in which all people have a right to receive social and public service. However, citizenship is not something inherent in each person, but a status, and it may be conditional on some form of qualification. This inevitably involves some controversy about who is, and who is not, a citizen. Furthermore, if the idea of

citizenship means anything, it is that people will be treated differently as a result of having it. If the right to welfare is based on membership of a community, there must be those who are not considered members, and who are, therefore, not citizens. (Mullard & Spicker 1998, 81-82). In other words, the concept of citizenship has the added function of distinguishing "those who belong" from "outsiders" (Virtanen 1995, 80). In this respect, the concept of citizenship is closely related to the concept of *social exclusion*.

The idea of social exclusion has many purposes and meanings attached to it. A. B. Atkinson approaches it from the point of view of poverty by arguing that, if poverty is seen as the deprivation of a certain minimum right to resources, then people are seen as entitled to a minimum income, a prerequisite for participation in a particular society. This, in turn, can be linked to citizenship in that a certain minimum level of resources is necessary in order that people may enjoy effective freedom. (Atkinson 1998, 24).

Giddens explains the connection between social exclusion and citizenship by using the concepts of inclusion and exclusion. To put it simply, inclusion is related to equality and exclusion to inequality. In its broadest sense, inclusion refers to citizenship, to the civil and political rights and obligations that all members of a society should have. It also refers to opportunities and to involvement in public space. For example, in a society where work remains central to self-esteem and standard of living, access to work is one main context of opportunity, education being another. (Giddens 1998, 102-103).

In addition, Giddens points out that equality is a relative concept. According to him, we have to ask "equality between whom, of what and in what degree?" We can ask, for example, "how far the immigrants should be accorded basic citizenship rights and

material protection.” (Giddens 1998, 40-41). This question is particularly relevant in the context of Eastern Europe, where the excluded ones, i.e. the ones without full citizenship rights, are often people of different races or nationalities. As concerns Western welfare states, it can be argued that equality of status is not necessarily guaranteed for all; people have a right to welfare, but it does not mean that they will have the same access to services or an equivalent standard of welfare (Mullard & Spicker 1998, 83).

According to Giddens, inclusion and exclusion have become important concepts for analysing and responding to inequality because of the changes occurring in Western industrial countries. In stating that it is particularly the increase in information technology that has drastically affected the nature of manufacturing production and cut the demand for unskilled labour, Giddens is referring to post-Fordism, which has been discussed earlier. As a consequence of the changes, the traditional working class has largely disappeared and the old working class communities have altered in character and, in many cases, become isolated from the wider society. (Giddens 1998, 103).

Scott Lash similarly argues that, as societies become increasingly superimposed on the information and communication structures, exclusion from them becomes exclusion from citizenship. Thus, the "old" citizenship rights, featuring equality before the law and the political and social rights of the welfare state, have been transformed into rights of access to the information and communication structures. Consequently, the new lower class is deprived of both the obligations and the rights of what - according to Lash - is no longer social but predominantly cultural citizenship. (Lash 1994, 132-133).

I would not go as far as Lash when he argues that the old citizenship rights have already been transformed into something new. Especially as concerns the civil and political rights, there is no reason to expect any radical changes. However, as has been pointed out in this chapter, it does seem evident that the principles of social citizenship are now being questioned as a result of the transition and transformation processes.

In a sense, the discussion on social citizenship closes the circle of all the components of social change debated in this chapter. To sum up: the roles of the state, the market and civil society are changing in both Eastern and Western countries. From the point of view of welfare policy, the important tendencies in these changes are the rising neoliberalism and individualism and a hope that the institutions of civil society will strengthen and take at least some of the responsibility for welfare. Consequently, the social rights of citizens are on a less firm ground than they used to be during the "golden age of the welfare state" or during socialism. The reconstruction of social rights, in turn, may lead to new forms of social exclusion which, considering the focus of this study, has twofold importance: when it is closely linked with the concept of citizenship, it is part of the changing framework of defining social problems. In addition, however, it can become a social problem in itself.

2.4 Conclusion

The question that still remains unanswered is "how are the transition and transformation supposed to affect the framework of defining social problems?" The answer is not simple, since there are at least three assumptions that can be made on the basis of the theoretical and empirical information presented in this chapter. Firstly, if we take as a

starting point those theories of transition that regard it as a dramatic and rapid change where everything begins with "a clean table," we could assume that transition also opens up unlimited possibilities or options for the defining of social problems. However, I reject this starting point, based on the assumption that the common framework presented in this chapter is not just a collection of theoretical suggestions about the direction of social change but a framework which truly guides the influential groups' perceptions of social problems. The question, then, is just how dramatic this change towards more market and individual oriented societies can be expected to be?

A second, more credible, assumption can be made on the basis of those theories that emphasise the importance of the history and culture to which the transition societies are bound. From this point of departure, one can assume that the "definitional" space is, in fact, limited by cultural and historical factors. The widely debated socialist legacy, for example, may influence the perceptions of social problems in Estonia and Russia. Correspondingly, the social democratic hegemony in Finland may still obstruct the change towards neoliberalism. The important questions that arise, when we take the "path dependency" type theories as a starting point of analysis, are "how are social problems defined in a situation where there exists two sets of values - the old and the new; to what extent are the "new" values completely new, created in a unique historical situation; and to what extent do the old, pre-socialist values come out as new ones?" In other words: to what extent do the definitions of social problems reflect continuity or discontinuity?

Thirdly, the empirical evidence clearly shows that the social consequences of the transition have been severe, especially in Estonia and Russia. The fact that many social

problems have been aggravated is supposed to be reflected in perceptions of social problems. This, together with the assumption that perceptions of social problems are bound to historical traditions and cultural values, suggests that the changes in the framework of defining social problems are not necessarily very dramatic.

However, the influential groups that, due to their social position, can be regarded as the leaders of social change are among the first to internalise the new values. Therefore, I expect that their perceptions of social problems are guided rather by the new values, which emphasise the role of individuals, the market and civil society as the responsible bodies for people's welfare, than by the social consequences which are not supposed to touch them personally, at least not very dramatically. Furthermore, I start my analysis from the assumption that the similarities of Eastern and Western social change actually lead towards similar types of changes in the framework of defining social problems, regardless of the fact that the pace of change can be assumed to be different due to the different paths taken in individual countries.

In addition to the context of defining social problems, presented in this chapter, there are other significant factors which affect perceptions of social problems, namely the values, norms and interests of influential groups. Most importantly, however, the perceptions naturally depend on what kind of issues are regarded as social problems, i.e. how social problems are defined.

CHAPTER 3. STUDYING SOCIAL PROBLEMS - THEORETICAL APPROACHES

In this chapter, I will search for a definition of a social problem that is suited for the studying of perceptions of social problems in social change in a comparative research setting. I concentrate on a theory orientation named social constructionism, according to which social problems are the result of collective definition processes, rather than objective conditions in themselves. Social constructionism is a "Western invention," and it has been used extensively in the studying of social problems, for example in Finland. As the former socialist countries have their own distinctive traditions for defining and understanding social problems, it is necessary to consider the applicability of this approach in a post-communist context. In addition, in order to fully understand the perceptions of social problems in post-communist countries, I will widen the context to include not just the transition: I will also examine how social problems were defined in the time of socialism. At the end of the chapter, I will summarise the theoretical guidelines that will be used in analysing definitions of social problems.

3.1 Objectivism versus subjectivism

The Western social sciences have a long tradition of studying and defining social problems. However, none of the existing traditions or their definitions have reached a dominant position. Rather, there seem to be nearly as many definitions of social problems as there are studies on them. Moreover, all of the definitions seem to share the characteristics of generality and openness to various interpretations.

To begin with, theory orientations concerned with social problems can be divided roughly into objectivist and subjectivist approaches. Objectivism is based on the idea that certain phenomena are problematic and detrimental by nature. Social problems are thus seen as objective conditions that can be measured and reported, for example in the form of statistics. The objectivist approach has been very common in studies of deviant behaviour, where the research of social problems has been aimed to produce unbiased knowledge of the factors distinguishing the deviant from the non-deviant. In this type of studies, the causes of social problems are usually sought among background variables such as age, sex, and family background, making the deviant seem like a "victim" of heredity or environment.

The subjectivist orientations stand at the other extreme and point out that not all harmful conditions are social problems, nor do they become ones unless someone defines them as such. The first attempts at building a theory of social problems based on the idea that social problems are socially constructed date back to the 1920s. Later, following the ideas of Emile Durkheim, who proved that deviant behaviour and social problems are eternal because they are relative, the subjectivists have emphasised that every society and era has its own problems, related to definitions which depend on the prevailing power structures, values and norms and the knowledge people have about problems.

Although subjectivist perspectives have become increasingly popular, and are now applied in most studies of social problems, there are still many scholars who reject subjectivism in favour of objectivism. Their attacks have concentrated on the relativity

of the subjectivist approaches, claiming that it can lead to a situation where "real" problems, like poverty, will never gain the researcher's attention (Best 1993, 134).

The subjectivists, for their part, have been particularly severe in their criticism of social constructionism, which concentrates on studying the processes whereby conditions become defined as social problems. David R. Simon and Joel H. Henderson, for example, have criticised the interactionist view (of which they consider social constructionism to be a part) for being more a description of a political process than a scientific theory, because it does not focus on the causes of troubling conditions; nor does it try to solve them. According to these critics, the main problem in subjectivist approaches is that they reject the fact that harmful conditions exist, whether a problem is acknowledged or not. Taking this criticism to heart, Simon and Henderson have formulated their own definition of a social problem, based on the ideas of C. Wright Mills. (Simon & Henderson 1997, 19).

In *The Sociological Imagination*, Mills noted that earlier sociologists had wrongly attributed social problems to individual deviance. He argued that social problems are caused by institutional contradictions and not by deviant individuals. Mills' contribution to the theory of social problems was that he called for sociological imagination, which allows one to conceive of the relationship between seemingly *private troubles* and *public issues*. He argued that, to use sociological imagination, one must be able to interrelate the structural causes of social problems with private troubles and public issues. Private troubles occur within the character of the individual and within the range of his immediate relations with others. Perceptions of private troubles and solutions to them are also found within the family, workplace, school, or neighbourhood. Private troubles are thus resolvable within the immediate environment of the individual. Public

issues or social problems, however, are of a very different nature, as they transcend the local environments of work, family, and community. Furthermore, Mills believed that many social problems involve a genuine crisis in institutional arrangements. In such crises, private troubles become widespread and turn into public issues. (Mills 1959, Simon & Henderson 1997, 8-9).

”Crisis in institutional arrangements” also features in Simon and Henderson’s definition of a social problem, according to which ”a social problem is a socially patterned condition involving widespread physical, financial or moral harm that is caused by contradictions stemming from the institutional arrangement of a given society.” The definition also includes the statement that ”such harms exist whether or not they have gained the attention of the mass media or politics.”

Simon and Henderson are right in arguing that the interactionist perspective, or social constructionism, does not offer a theory of social problems in the scientific sense, because it does not contain causal or independent variables. However, none of the existing orientations or theories offers an all-inclusive definition of a social problem. Furthermore, theories that offer causes and solutions for social problems are few and far between; there are not many examples besides the Marxist or neo-Marxist theories which see capitalism as the cause of all social problems and total social change as their chosen solution. (Cf. Senn & Senn 1993, 238). These theories are, however, rarely used anymore in explaining the existence of social problems.

The objectivists as well as the subjectivists have their advantages and disadvantages, and I do not consider it very fruitful to try to prove any of these orientations right or

wrong. Rather, researchers should choose an orientation/orientations according to the exact topic of their study. I turn to a subjectivist approach, because it offers the best means for studying *perceptions of social problems* and *the changing framework of defining social problems*. For a study aiming at evaluating the possible course of social change, studying social problems as objective conditions would bring out little useful information. What matters is, rather, learning about the perceptions of social problems of those individuals or groups which have the power and the possibility to influence the course of social change. In addition, the objectivist orientations are inadequate for the purpose of explaining the differences that undoubtedly exist between perceptions of social problems in different countries.

Social constructionism is a perspective in which the idea of social problems as social constructions has been developed most thoroughly. In this study, I will follow its basic ideas quite precisely, but if another orientation proves to be of use in the analysis I will not reject the insights it provides. Mills' classification of private troubles and public issues, for example, has proved useful in the interpreting of some results.

3.2 Social constructionism

Social constructionism originated from criticism targeted against objectivist theories. However, subjectivist definitions of social problems had been developed long before the emergence of social constructionism by a number of scholars, among them Clarence Marsh Case and Kelso Frank who, in the 1920s, argued that "the term social problem means any social situation which attracts the attention of a considerable number of competent observers within a society, and appeals to them as calling for readjustment or

remedy.” In addition, Case and Frank pointed out that ”every generation has its own peculiar social problems and each social problem has its own history.” It is also noteworthy that, in this first definition, the spotlight is on those who define social problems, much as in social constructionism fifty years later. The early definitions were, however, exceptions in a time when social problems were generally defined in terms of any one major factor. (In Senn & Senn 1993, 216-217). As noted above, this was also the case in Marxism, which concentrated on capitalism as the determining cause of social problems.

From the late 1930s to the 1970s, in North-American sociology, studies of social problems were dominated by four perspectives, namely social disorganisation, value conflict, deviant behaviour and labelling. These were the perspectives that set the groundwork for social constructionism, which both combined and criticised their main components.

From the point of view of *social disorganisation*, society is seen as a complex and dynamic whole where the parts are co-ordinated. When there are changes in one part of the system, the others will try to adjust to the new situation. If this adjustment fails, what follows is a situation of disorganisation, which can lead to social problems. Moreover, the social disorganisationists believe that the smooth functioning of a society is made possible by agreed rules which provide guidelines for appropriate behaviour for people in the performance of their various roles. Deviations from these rules are seen as causing social problems. (Simon & Henderson 1997). Altogether, social disorganisation denotes a failure of rules and diminishing control of primary groups, caused by social

changes (e.g. technological, demographic and cultural changes.) (Rubington & Weinberg 1995, 57-59).

In the *value conflict perspective*, social problems are seen as social conditions that are incompatible with the values of the groups whose members succeed in publicising their demands for eradicating conditions which they regard as problematic. The root causes of social problems are conflicts of values or interests. Competition and particular types of contact among groups create the conditions under which such conflicts develop. The essential content of this perspective is that social problems are considered to consist of two components: the objective condition and its subjective definition. (Rubington & Weinberg 1995, 90-91, Fuller & Myers 1989, 101).

Similarly to social disorganisation, the *deviant behaviour perspective* emphasises the importance of primary groups. According to it, social problems reflect violations of normative expectations. The cause of deviant behaviour lies in the inappropriate socialisation that takes place within the context of primary groups. The theory of deviant behaviour has been strongly inspired by Robert Merton's anomie theory. According to Merton, anomie appears in societies where there is disequilibrium between the commonly shared cultural goals and the means for achieving them. (Rubington & Weinberg 1995, 133, Robertson 1988, 195).

The deviant behaviour perspective concentrated attention on the causes of deviance, on deviant behaviour systems, and on social control. In the *labelling perspective*, which arose largely from the questions left unanswered by the deviant behaviour perspective, finding the causes of social problems is regarded unnecessary. Instead, it seeks to study

the process of and responses to social differentiation. The notion that social problems and deviance exist in the eye of the beholder is central to the labelling perspective. The approach is rooted in symbolic interactionism, formulated by George Herbert Mead and, later, elaborated by Alfred Schutz. Within this perspective, a social deviant is defined by social reactions to an alleged violation of rules or expectations. Deviant behaviour is thus seen as performance of a certain role that is determined in everyday interaction with other people. (Rubington & Weinberg 1995, 182-185, 357, Piirainen 1993, 41).

The birth of the social constructionist perspective is marked by two articles published in the journal *Social Problems* in 1973¹. In the articles, the founders of social constructionism, John I. Kitsuse and Malcom Spector, questioned the belief that it is possible to know the objective status of a certain condition (Miller & Holstein 1993, 7). They argued that none of the perspectives introduced above can answer the questions of "what truly makes a situation out to be a social problem in the first place" or "why some situations got designated as social problems while others did not?" With the exception of social disorganisation, however, the previous approaches were not regarded as totally useless. What Spector and Kitsuse did was they subjectified more fully the labelling perspective and combined it with the value conflict perspective. They stated that social constructionism has an affinity with the labelling perspective, as it shares an interest in the process by which a phenomenon comes to be defined in a specific way. Similarly to social constructionism, studies in the field of labelling perspective focus on the definition process: the people who define problems, the situation under which a person

¹ John I. Kitsuse & Malcom Spector (1973): Toward a Sociology of Social Problems: Social Conditions, Value-Judgements, and Social Problems. *Social Problems* 20, no 4.

Malcom Spector & John I. Kitsuse (1973): Social Problems: A Reformulation. *Social Problems* 21, no 2.

or situation is labelled problematic and the consequences of this labelling. Furthermore, both perspectives share the idea that ignoring the definitional processes makes the studying of acts or conditions difficult or impossible. (Rubington & Weinberg 1995, 288-293).

On the whole, set in the context of previous theory orientations, Spector and Kitsuse ask a different set of questions: "who defines a situation as a social problem, what kind of a definition they formulate, how they present their arguments to others and how these arguments are responded to." (Rubington & Weinberg 1995, 290-291). They formulated a definition of a social problem according to which social problems are "*the activities of individuals or groups making assertions of grievances and claims with respect to some putative conditions.*" Furthermore, they argued that "*the emergence of a social problem is contingent upon the organisation of activities asserting the need for eradicating, ameliorating or otherwise changing some condition.*" (Spector & Kitsuse 1987, 74-76).

The social constructionists adopt a radical subjectivist position, concentrating on the processes by which people designate some social conditions as social problems rather than on the objective conditions themselves. According to their definition, a condition that is defined as a social problem does not even have to exist. It is enough if some groups identify a condition as a social problem and demand actions for it to be solved. Social constructionists call this activity *claims-making*. Furthermore, when social problems are defined, the *claims-makers* also define their causes and suggest solutions. In social constructionism, this is regarded as an important part of the analysis. In the words of Joseph R. Gusfield, "it is part of how we think and how we interpret the world around us, that we perceive many conditions as not only deplorable but as capable of

being relieved by and as requiring public action.” Thus, the concept of a social problem does more than point to deplorable situations. It suggests a social responsibility for resolving the resolvable. (Gusfield 1989, 431-432).

In addition to any presented claims, the researcher doing social constructionist analysis can concentrate either on the claims-makers or on the whole claims-making process, i.e. on how and by whom claims are presented and how they are responded to (Hakkarainen & Asp 1993, 212). One way of approaching claims-making activities is to study the practices of the professions that participate in the definition process. According to Gusfield, social structure can be divided into two significant parts, i.e. the occupations where people work with social problems and the occupations that inform and entertain, including those in schools as well as the mass media. These are important parts of the process by which the public experiences social problems, interprets them, imbues them with meaning and creates and administers public policies. (Gusfield 1989, 432). The role of the mass media in shaping the images people have of social problems has received a lot of attention from the social constructionists. It is a commonly held view that the mass media generally raise, select and define issues to be launched as social problems in public debate and decision-making. The media also serve as a forum for various actors who seek support for their views on social issues (Lagerspetz & Hanhinen 1994, 20).

The importance of certain professions is also emphasised in the so called *public arenas model*, according to which the collective definition of social problems occurs in particular public arenas where social problems are framed and where they grow. These arenas include, for example, the executive and legislative branches of government, the

courts, the news media, social action groups, books dealing with social issues, the research community and professional societies. (Hilgartner & Bosk 1988, 58-59). Following the ideas in this model, influential groups can also be considered as representing the public arenas where social problems are discussed and defined.

One of the basic assumptions of the public arenas model is that public attention is a scarce resource and that each arena has a carrying capacity that limits the number of social problems it can deal with at any one time. The discrepancy between the number of potential problems and the size of the public space for addressing them makes competition among problems crucial to the process of collective definition. The number of social problems is thus determined not by the number of harmful or dangerous situations and conditions facing the society but by the carrying capacities of public institutions.

Another characteristic shared by the arenas is the existence of a set of selection principles that influence which problems are the most likely to be addressed there. (Hilgartner & Bosk 1988, 61). Many studies have proved that simple, dramatic problem formulations are more likely to survive competition. This is evident, for example, in a study of the treatment of social problems in Finnish newspapers: the results showed that drug problems were frequently reported with sensational headlines despite the fact that the drug problem in Finland was still relatively modest, at least on an international scale. (Hanhinen 1994).

Finally, in spite of the shared characteristics, each arena has its own special nature, which means that a particular issue can be defined as a social problem in one arena but

not in others. Furthermore, because the selection principles are influenced by widely shared cultural preoccupations, political practices and economic interests, certain problems fit into a certain culture better than some other problems. (Hilgartner & Bosk 1988).

As noted earlier, social constructionism has been strongly criticised outside the field. However, the most influential criticism has come from the subjectivists, who have claimed that social constructionists base their analysis on hidden, objectivist assumptions. According to Steve Woolgar and Dorothy Pawluch, social constructionism is internally inconsistent. They argue that, while social constructionists identify their focus as subjective judgements or claims, the analyses usually assume a knowledge of objective social conditions. In addition, when researchers focus on studying only the definitions on social problems, excluding the conditions that possibly cause them, they suppose that definitions commonly change while the conditions remain the same. The substance of the criticism is that the analysts' assertions of the constancy of a certain condition or behaviour can itself be construed as a definitional claim. Thus the social constructionists inevitably adopt an epistemologically inconsistent position, because the researchers cannot avoid making assumptions on objective conditions. (Woolgar & Pawluch 1985, 216-217).

This criticism marks an important turning point in social constructionism which, as a result, divided into two orientations: *strict* and *contextual constructionism*. Claims-making activities can now be interpreted differently, depending on whether the researcher follows a strict or a contextual approach. In strict analysis, which is the orientation Spector and Kitsuse approve of, a researcher should concentrate only on

claims-making processes and avoid discussing social conditions. The definitions may or may not be accompanied by empirically verifiable claims about the scale, intensity, distribution, and effects of the imputed social conditions; theoretically, no such information is needed. (Best 1993, 133).

Contextual constructionists study claims-making within the context of culture and social structure. Contextual analysts remain focused on the claims-making process, but they do make assumptions on social conditions. Most importantly, they assume that knowledge of social conditions may help to explain why particular claims emerge in the way they do, when they do. According to Joel Best (1989), knowledge of social conditions can be incorporated in many ways in the social constructionists' analysis of the definitions of social problems. In addition to using social conditions to explain the emergence of claims, an analyst may refer to social conditions to explain, for example, why some claims receive attention or shape social policy.

Within the field of social constructionism, most research follows the guidelines of the contextual rather than the strict orientation. Nevertheless, the "strict constructionists" have not given up. In response to the criticism targeted against the strict approach, a new orientation, the most recent one thus far, was presented in the publication "Reconsidering Social Constructionism." In this large collection of constructionist writings, Peter Ibarra and John I. Kitsuse wanted to specify the subject of social constructionist research. To suggest new lines of theoretical development, they proposed that the central term *putative condition* should be replaced with the term *condition category*. By condition category, they mean "typifications of socially circumscribed activities and processes - the society's classifications of its own contents

- used in practical contexts to generate meaningful descriptions and evaluations of social reality.” The condition categories vary in terms of abstraction and specificity, but they are the terms used by claims-makers when they discuss what social problems are all about. Mainly the condition categories are units of language. (Ibarra & Kitsuse 1993, 30-31).

By proposing a new subject for social constructionist study, Ibarra and Kitsuse wanted to highlight the symbol-bound, language-bound character of social problems. In practice, this means directing research towards the rhetoric of social problems discourse. In principle, this new approach could provide some help in analysing data that consist of discussions on social problems. However, at least so far, the ”rhetoric analysis” has remained rather vague and methodologically weak. Another reason for rejecting the new approach is the fact that it overlooks the role and importance of social context in the process of defining social problems. At the end of this chapter, I will specify how social constructionism is applied in this study.

3.3 Social problems and social change - the problems of applying social constructionism in post-communist countries

Social constructionism has been developed and applied mainly in North-American sociology. On the other side of the Atlantic, critical remarks have been presented concerning its applicability in an European context. Harry H. Bash (1995) has contrasted North-American sociology in general, and its theories on social problems in particular, with the European tradition of studying social movements, and he argues that the North-American and the continental European sociological traditions reflect divergent stances on the matter of history and its relevance in sociological inquiry. For

continental Europeans, the past has served as a prologue from which it follows that the present can only be apprehended meaningfully in terms of its historicity. For American sociologists, the present has appeared largely as a historically unencumbered factuality that could be moulded, pragmatically, toward one or another preferred future.

For research on social problems this has meant that, in an American context, social concerns that seem to afflict the present and otherwise orderly progression have appeared somewhat like socially pathological phenomena, blemishes that require remedying. Furthermore, Bash claims that constructive intervention in such problems has depended on the systematic analysis of each given case, determining its morphological structure and isolating those anatomical features that have contributed to its pathological state. Most importantly, there has been no need to probe into any antecedent social structural conditions which might have given rise to these problems as unanticipated by-products of sociohistorical change. In the European tradition, however, socially disruptive circumstances have been conceptualised within the context of their inescapable historical continuity. Thus, what might otherwise have been regarded as a cluster or constellation of time-specific, episodically erupting, discrete social situations or events have instead been integrated into the continuity of historical flow. (Bash 1995, 159-162).

In other words, much of the North-American definitional tradition of the study of social problems, and social constructionism in particular, implicitly starts from the assumption of structural stability in a society. The problem of ahistoricity has also been acknowledged by the social constructionists themselves. Gusfield (1989), for example, urges the social constructionists to take care not to separate the study of meanings from

the study of their historical and institutional settings. In addition, Anna M. Santiago has called for broader social constructionist research questions and explanations and the building of empirical models which incorporate the idiosyncracies of time, place and history. Furthermore, she has pointed out that, so far, social constructionism has rarely been applied in comparative research settings. Her conclusion is that, in cross-national or cross-regional studies, social constructionists should widen the scope of their studies to include cultural values and examine how they shape perceptions of social problems. (Santiago 1993, 207-208).

Social constructionism does not totally exclude the dimension of social change. Ronald J. Troyer, who has compared social problems and social movements with the aim of examining whether they are actually the same thing, argues that social change is present in both. In both orientations, the dimension of social change comes along through the fact that the focus is on different types of actors *demanding* social change. However, one of the differences between the social movements and social problems orientations is that there is variation in the specification of the entities desiring change, as the social movement definitions invoke larger entities than does the social constructionist definition of social problems. Nevertheless, neither of the approaches identifies social conditions as its primary subject matter. (Troyer 1989, 45).

There are also theories that bring social change along as an explaining factor. A well known example is Durkheim's theory of anomie. According to it, anomie occurs when rapid social change causes large numbers of people to recognise that there are no rules to guide their behaviour. As a consequence, they lose faith in both major social institutions and the rules they seek to enforce. The result is a high rate of crime and

deviant behaviour, such as suicide. (Simon & Henderson 1997, 26). The previously presented social disorganisation perspective also recognises the failure of rules and diminishing control of primary groups caused by social change. However, in social disorganisation the emphasis is on primary groups, whereas in anomie theory it is on social institutions. The fundamental idea is, nevertheless, the same: deviant behaviour is caused by social change.

In social sciences, the concepts of social problem and social change are commonly combined in "objectivist" empirical studies, which aim at studying, for example, how economic depression affects the occurrence of social problems. Some general arguments concerning the relations of social problems and social change have also been presented from the "subjectivist" standpoint. Jorma Sipilä (1986), for one, has pointed out that a rise in social problems is very often related to changes in the economic structure. What matters is not the actual increase in the prevalence of a certain social condition but its harmfulness to the economy. A good case in point is alcohol abuse, which became a social problem when industrialisation caused a new kind of discipline to be demanded of workers.

All in all, as can be seen from this brief look at orientations connecting social problems and social change, once again there is a lack of relevant theories. In understanding societies going through profound social change, this is obviously a matter of crucial importance. Again, I turn to social constructionism, the applicability of which, despite the critical remarks, has been tested in the Finnish context as well as in the socialist and post-communist contexts.

One example of this is a study that compared definitions of social problems in leading newspapers in Finland and Estonia (Lagerspetz & Hanhinen 1994). The period analysed covered the years 1985-1992. The comparison revealed that the Finnish press pays more attention to problems related to alcohol, environment, and unemployment, the Estonian material showing more interest in crime, problems of culture and education, and poverty. Some of the differences are consistent with the prevalence of named problems in the two societies. Measuring by many standards, we can say that there is more crime and poverty in Estonia, and a higher rate of unemployment in Finland. However, the study also showed that the prevalence of a social problem does not necessarily correspond to the attention paid to it. For example, there is no reason to believe that alcohol problems would be more severe in Finland than in Estonia. What can be claimed, instead, is that in Finland as well as the other Nordic countries, alcohol issues have come to be viewed as a self-evident part of overall social policy, while in Estonia there is no analogous interest in them.

Another example is a comparative study of the United States and the former Soviet Union. In this study, Rouse and Unnithan (in Santiago 1993) aimed to trace the social construction of alcoholism. They examined the assumption that different ideologies produce distinctive definitions of social problems and erect distinctive institutional structures to resolve the problems. As a result, Rouse and Unnithan reported that according to the "national view" in the United States alcoholics were immoral individuals, whereas in the Soviet Union they were considered parasites. Moreover, they found that, although the ideologies supporting the definitions of alcoholics were very different in the countries compared, there was a convergence between the strategies adopted to deal with alcohol-related problems. The authors speculated that the reason

for this convergence had to be that the two countries represent alternative forms of complex industrial society.

In addition, Mary Buckley had a very social constructionist point of view when she analysed the "careers" of drug abuse, crime, prostitution, rape and suicide in public social problems discourse in the Soviet Union. She also gave an example of one issue's failure to receive the "status" of a social problem in her analysis of the problem of "poor conditions of abortion clinics." According to Buckley, the horrors of abortion clinics were a problem for Soviet women for decades. In the 1980s, they became an issue in women's samizdat. This agenda, however, was a powerless one. Only a few citizens were aware of it, and male dissidents usually failed to take women's issues seriously. In addition, the official press and political arenas ignored the problem, and it was only in the 1980s that it became an issue as it reached the attentive public through articles in women's magazines. Nevertheless, the problem of "how to improve the quality of care in abortion clinics" was a low priority issue for the Supreme Soviets in 1990 and, as before, the fact that the Soviet Women's committee was troubled by it did not suffice to bring improvements. As this example shows, Buckley, like social constructionists, stresses that issues or social problems have "careers" and that their fate depends on how they are constructed, who reacts to them and how, the political clout of backers and opponents, the availability of financial resources to tackle them, and the political willingness of leaders and politicians to act and to implement necessary policies. (Buckley 1993, 37).

Despite these examples of the application of social constructionism in various places and historical circumstances, the criticism against the ahistoricity of this approach needs

to be taken seriously considering the focus of this study. According to Jussi Simpura and Cristoffer Tigerstedt (1995), contextual constructionism, which accounts for political, historical and cultural changes in explaining how social problems emerge in the agenda, is suitable for countries like Finland where a major part of the social structure still remains largely intact. The problem arises in the revolutionary societies where approaches that concentrate on the micro- and meso-level may prove insufficient.

All in all, as far as the problem of ahistoricity can be overcome at all, it is done by paying attention to the historical and contextual factors that shape the modes of thought and action of those involved in the process of constructing social problems. In this study, transition and transformation and their social consequences serve as a context against which the data are analysed. In addition, as concerns the post-communist countries, in order to capture the presumed changes in the framework of defining social problems I will need to widen the context to include not just the transition but also the time of socialism.

3.4 Defining social problems in socialism and early post-communism

It is a well known fact that, under the communist regimes, social problems were removed from the political agenda in order to maintain a positive ideological profile; it was only after the dissolution of the Soviet Union that the previously forbidden topics became an integral part of political discourse and academic research.

The Soviet social problems were often called "phenomena alien to socialism." The problems afflicting capitalist societies, like crime, prostitution, drunkenness etc. were

supposed to wither away under the more egalitarian, just and rational social organisation introduced by the socialist system. What was defined as undesirable, at any given time, reflected the prevailing norms in social policy; in the Soviet case, the norms were authoritatively determined by the political decision-makers and guardians of official values. Thus the link between social problems, political institutions and values was unusually clear-cut and explicit. (Hollander 1991, 10, 14-15. See also Simpura & Levin 1997).

One of the social problems ignored by the authorities was poverty. With the "Stalinisation" of the media, in the 1930s, the very word "poor" was banned from official documents as a description of any social group or condition in the land. Following the dogma about how Soviet society had achieved almost perfect social homogeneity, the ideologies and politicians completely avoided all issues that could undermine that belief. Consequently, the social stratification of Soviet society was totally ignored by the authorities. The situation improved, somewhat, only after 1961 when, as part of Khrushchev's liberalisation campaign, the systemic study of so-called minimum family budgets was started in a number of Moscow research institutes (Matthews 1989, 114).

Although poverty was not officially acknowledged, it was a reality for many Soviet people. According to some estimates, despite the substantial improvement in living standards since the late fifties, income per capita in 1967-1968 was below the poverty level for some 35-40 per cent of the Soviet population (Atkinson & Micklewright 1992, 239). In the 1970s, homelessness and shantytowns were problems that touched many Soviet citizens, but it was only after *glasnost* that some of these problems became

public issues. (Buckley 1993, 36). According to Mervyn Matthews (1989), the early 1980s saw very extensive dissatisfaction in the USSR with the important aspects of material well-being. The redistribution of incomes was not working the way it was expected to, in a socialist society. A study of living conditions, from 1988, reveals that the higher the social status of a person, the higher the income level - a relationship that was supposed to be typical only of the bourgeois-authoritarian society (Rimashevskaya 1998, 40). Official estimates of the extent of poverty are only available from 1988, when Goskomstat calculated the number of persons with an income per capita beneath the subsistence level (78 roubles per month.) According to the estimate, 14 per cent of the people were living below the poverty line. (Atkinson & Micklewright 1992, 241).

On the whole, in order to form a picture of Soviet social problems, we have to rely mainly on estimates and definitions from the outside. Paul Hollander has divided Soviet social problems into three categories. In the first group, he includes forms of antisocial behaviour, such as the problems of crime, delinquency, prostitution and ethnic and racial discrimination. The second group consists of various types of escapist behaviour, including alcoholism, drug addiction, and suicide. In the third, there are the various structural-situational conditions that have, at some point, constituted social problems. The problems in the third group have the most direct connection with the political ordering of the society. In this group, Hollander includes scarcities of e.g. housing and consumer goods, deficiencies in public health, rural underdevelopment and uneven modernisation. (Hollander 1991, 11).

Furthermore, according to Hollander, there were three main causes for social problems in the Soviet Union. The first was the general process of modernisation, which disrupted

traditional ways of life and modes of production and created social disruptions by interfering with previously stable social relationships, making behaviour more uncontrolled and uncontrollable. Soviet sociologists have also paid attention to the social consequences of modernisation and to problems that arise when "people of different cultural and moral levels and of different backgrounds and ways of life mix." (Kasyukov & Mendelev 1976, in Hollander 1991). In this case, their definition of a social problem comes close to that of the Western social disorganisationists, who emphasised the primary groups' diminishing control, caused by social change, as a source of deviant behaviour.

The second cause was the self-conscious application of political-ideological criteria to the process of modernisation, along with the associated reorganisation of society that created problems peculiar to Marxist-Leninist one-party systems, such as "rural backwardness." As for the third cause, Hollander reminds us that some social problems were created through the application of official conceptions of rectitude and the corresponding definitions of deviance. (Hollander 1991, 12).

Regardless of its insistence on the distinctiveness of socialist modernisation and the superiority of the new social institutions, the Soviet ideology created its own pressures and requirements to discern and identify social problems and to define situations or forms of behaviour as politically unacceptable and hence socially problematic. Such problematic situations arose, for example, from the official view of the survival of religious attitudes and behaviour, crimes against public property, and low birth-rates. (Hollander 1991, 11, 15-16. See also Lapidus 1983 for the problem of low birth-rate).

Leslie Holmes has analysed the public presentation of the problem of corruption in the socialist states. In some cases, a quasi-spontaneous "revelation" of the problem was set up by the communist party, ultimately in order to strengthen the legitimacy of the prevailing regime. From the point of view of communist state leadership, the reporting of corruption may have had many positive effects: it could have led to a reduction in corruption or proved the leadership's commitment to the law and moral norms. Furthermore, at the end of the 1980s, when the need for economic reform in the Soviet Union had become obvious to the leadership, discussions on corruption might have taught people the "right" values and modes of action for legal, controlled entrepreneurship and market relations. Several of the campaigns against social problems in the socialist countries can be viewed as means for fulfilling the legitimation needs of the regime. In social constructionist terms, they were not the result of claims-making activities by independent social actors, although they were often presented as such. (Holmes 1993, Lagerspetz 1994, 13).

According to Lagerspetz, the whole social problems discourse of the Soviet Union, since the October Revolution, can be seen as an infinite row of campaigns. One typical way of setting up a campaign followed the model described by Sverre Høyer, Epp Lauk and Peeter Vihalemm. On receiving orders from above, a newspaper would find a person under whose name to publish an article on the problem chosen as the target of the campaign. Some time later, the leading organs of the party would announce their full support for the initiative presented in the article, and soon a number of letters from the "simple working people" supporting the campaign would be published. (Lagerspetz 1996, 81, Høyer et al. 1993).

All in all, under the communist regime everything rested on the party apparatus' decisions. The trade unions, the mass youth organisations and the economic chambers had no independent political voice, as there were no plans to let autonomous collective actors articulate welfare needs from below. (Elster et al. 1998, 234). In other words, the state monopolised the process of making claims and solving problems. This affected academic institutions, too. In the pre-*perestroika* period, regardless of the fact that there existed an extensive network of scientific institutes studying social problems, the sociological research was often part of an official conspiracy to present a distorted picture. No systematic survey research on public opinion was allowed before 1988. After the mid-1960s, a limited number of studies on peoples' attitudes were permitted, but one characteristic of these studies was that the respondents were expected to affirm their positive commitment when asked how dissatisfied they were. The defining feature of private opinions was a combination of ignorance and fear. Consequently, public opinion as an independent social institution that affects the political process did not exist. (Wyman 1997, 3-5, 20).

Lagerspetz has pointed out that what the sovietologists and the Soviet leadership had in common was a complete lack of the actor's perspective. They had no insight into what the governed population actually thought or felt. Furthermore, the all-pervasive culture of secrecy meant that many Soviets were themselves unaware of the seriousness of many of the social problems they faced (Wyman 1997, 3). Thus, in the end, the all-encompassing censorship was able to conceal social processes not only from the ruled but also from the rulers. (Lagerspetz 1996, 36).

Lagerspetz's argument is, however, somewhat misleading. The communist party bureaucracy did, in fact, have a lot of knowledge of social problems; it was just carefully kept secret from the public. How effectively the censorship actually worked has been well illustrated by Jane Leftwich Curry in her analysis of classified censors' documents smuggled from Poland in 1977. These documents reveal how little the image which the Polish leadership sought to create for its public reflected the reality of everyday life in Poland - the reality was filtered out at the censor's desk. The leaders' aim was to present evidence to the people that they lived in a perfect society, so that the people would, in turn, see problems as being of their own making. For example, as discontent about inflation, shortages, poor working conditions and housing problems increased, so did the prohibitions against discussing it. According to Curry, the leadership clearly hoped that people would see their problems as unique and as their own fault, and not as problems shared by everyone. (Curry 1984, 151-152, 154).

Eventually this censorship and lack of self-knowledge became one of the motives of *glasnost* and an issue in public debate. Demands such as "socialism must become acquainted with itself" were now expressed in public. Tat'yana Zaslavskaya argued, in her remarkable article in *Pravda*, that "if we continue to keep from the people information about the conditions they live in, say, the degree of environmental pollution, the number of industrial accidents, or the extent of crime, we cannot expect them to assume a more active role in economic or in political life... *Glasnost* is therefore indispensable for genuine feedback and for creating mechanisms for two-way communication between government and society." (Lapidus 1991, 139-140).

In fact, the recognition of social ills changed quite radically when Gorbachev came to power. One of the mainsprings of the Gorbachev leadership's campaign for social and economic reform was widespread consumer dissatisfaction. Among the first statements of Andropov's and, then, Gorbachev's regime was also a recognition of social inequality in the Soviet Union. As a consequence, a practically new concept, "social justice," was advanced by post-Brezhnev leaders (Shlapentokh 1989, 226). In addition, *glasnost* promised greater awareness of social difficulties and constructive debate about solving them: the debate was fuelled by the increasingly dynamic media, which began to provide more round-table discussions and probing investigative journalism. Between 1987 and 1990, new newspapers appeared in Russia every year, enlivening the debate and controversy. According to Buckley, all these newspapers were vital to the process of redefining society and polity. (Buckley 1993, 26, 29).

All in all, *glasnost* performed three main roles. Firstly, it exposed long-neglected problems, thereby generating issues². This process caused some truth to be incorporated into social commentaries and provoked questioning of issues that had previously been ignored. Secondly, it delimited problems. Journalists specified characteristics for the problems or suggested contours through images and moods. Sometimes they indicated links with other problems. Thirdly, in some hands, *glasnost* resulted in increasingly rigorous analyses of why particular problems existed and what could be done about them. Most of the early reporting, however, focused on the whats and hows rather than the whys. Still, in many instances, description alone was a powerful tool. It unmasked

² Questions that had long been taboo, such as drug abuse or teenage suicides, now entered the public agenda. For instance, in 1987-1991 problems relating to social deviance received more media coverage than in the entire half-century from 1930 to 1980. (Buckley 1993, 72). Furthermore, official statistics became accessible and, as a consequence, for example the huge number of drunkards and alcoholics became an issue for public discussion (Simpura & Levin 1997, 16).

past deceptions, corrected earlier omissions, and brought details to the attention of the readers and viewers. There was markedly less concern than before for making sure that any social problems, singled out for public attention, be portrayed as isolated or anomalous phenomena, alien and unrelated to the major institutions and characteristics of Soviet society³. Nevertheless, there was still manipulation, exaggeration, and persistent silence on some topics. Not only the degree of openness but even the nature of its application varied across social issues. (Buckley 1993, 72-73, Hollander 1991, 13).

Besides the effects of *perestroika* and *glasnost* policies, the Estonian framework of defining social problems changed due to internal political developments. The beginning of a new era in domestic politics was marked by the Joint Board Meeting of Creative Unions in April 1988. On that occasion, the leading intellectuals took a stand against the leadership of the republic. In addition, at that juncture, several of the society's problems were addressed for the very first time. Among the problems presented were the demographic situation of Estonia and extensive migration from other Soviet Republics, the environmental situation, and a general lack of democracy at all levels of party and state administration. The period thus initiated became known as the Singing Revolution, in which the very fundamentals of the political and economic order were questioned and the old official definitions of reality were challenged by new ones. (Lagerspetz 1996, 59-60, 129).

³ Gail W. Lapidus has similarly emphasised the change that occurred in defining the causes of social problems. According to him, the trend towards greater realism was accompanied by the growing realisation that a wide range of social problems could well have been structurally rooted and reproduced under socialism. Furthermore, discussions on a wide range of social problems increasingly accepted the universality of social problems in all social systems and explored why and how they are socially reproduced. (Lapidus 1991, 144).

Especially at the beginning of the Singing Revolution, the mass media had a crucial role in the process of political emancipation. In Estonia, as well as in the other Baltic states, the relationship between the media and the ruling structures had varied greatly during the post-war period. In the Stalinist era, the mass media formed part of the ideological state apparatus. During the thaw and stagnation periods, much of the media acted as a vehicle for cultural opposition, withstanding the onslaught of Soviet ideology and political subordination. In 1988-1989, the media became a channel for direct political opposition and the most effective mechanism in the struggle for liberation. (Lauristin & Vihalemm 1993, 272). Much as in Russia, *glasnost* also brought about a remarkable increase in the number of different newspapers and periodicals in Estonia. (Lagerspetz 1996, Lauristin & Vihalemm 1993).

In Estonia and Russia, the emergence of social movements was a new phenomenon, and it affected the definition process of social problems. These movements brought up new and fresh interpretations of reality, introducing "different" problems, which they attempted to present as serious issues (Buckley 1993, 28). In addition to nationalist movements, there arose religious groups and environmentalist movements. Still, the absence of civil society meant that, especially in Russia, the forming of groups was limited and the politically active groups tended to be products of the system. Consequently, their opportunities and possibilities for action were highly restricted: environmentalist movements may have been a growing force in the sub-elite politics of many societies in the late communist period, but they did not become a major force in politics (Holmes 1997, 276). Thus, policies were still very much defined and formulated from above and the mass public remained outside the political agenda, notwithstanding disputes and conflicts among the leaders, negotiations among the bureaucrats, and

pressures from specialists. (Buckley 1993, 28, 35). Thomas Remington has also pointed out that, to a great extent, public debate still followed the pattern of the sponsored "discussion campaigns" which had been a standard feature of party ideological work since Khrushchev. Upon assuming the party leadership, Gorbachev inherited some of these campaigns, redirected others and initiated his own in order to mobilise public support for his program of social reconstruction. (Remington 1991, 102).

Finally, after the dissolution of the Soviet Union, the omnipotent authority of the state was rapidly replaced by more genuine and independent claims-makers. Furthermore, social problems became political issues, which was evident, for example, in the campaign for the Russian elections in 1993. During the election campaign, the leaders of all political blocks and parties commented upon social issues and social policy, keenly aware that voters were troubled by the problems of poverty, inflation, unemployment, crime etc. Different leaders emphasised different social issues. Gennady Zyuganov of the Communist Party of the Russian Federation stressed labour, justice and prosperity for everyone, whereas Vladimir Zhirinovskiy and his Liberal Democratic Party emphasised the need to combat crime. The divided democrats delivered varied social messages. Amid the professionals of Russia's Choice who argued for a normal market, a softer Ella Pamfilova spoke of "the need to care about the suffering of ordinary people." Anatoly Sobchak talked about extensive housing repairs, guarantees of a minimum standard of living and the protection of invalids. Nikolay Travkin's Democratic Party of Russia declared the tackling of poverty and deteriorating services as its main social policy. Women of Russia gave priority to a social program with guarantees for the unemployed. The centrist Civic Union warned of the danger of hidden unemployment escalating into an explosion of real unemployment in the future.

The media were now also widely used in presenting the "claims" to the electorate. The Russian Movement for Democratic Reforms, for instance, provided hours of television coverage to social problems. Altogether, the whole election campaign illustrated the politisation of social problems and highlighted competing public discourses about how to tackle them. (Buckley 1994).

According to social constructionists, the mass media are among the most powerful arenas for claims-making. As noted earlier, the significance of their participation in the social problems discourse grew markedly during the period of *glasnost*. Now it is evident that both the printed and broadcast media are immeasurably more autonomous than they used to be, in most parts of the post-communist world. The range of views is also much broader.

For example, in Russia the mass media have given extensive coverage to social problems. This was illustrated in a study of alcohol, drugs and crime in the St. Petersburg press during the years 1984 and 1992. The study also reveals how the definitions of social problems changed during the study period. According to the authors, the year 1989 represented a turning point: during that year, there was a continuing rise in the number of articles on alcoholism, drug problems and crime. In addition, previously neglected problems were now widely discussed in the Leningrad press. Among these issues were national relations, unemployment and the problems of poverty and inequality. Also, the attention paid to ecology, social security and the medical services grew notably compared to previous years. (Afanasyev & Gilinskij 1994, 65).

An analysis of the 1991-1992 period revealed new features in the presentation of social problems. Firstly, the total number of articles treating alcoholism, drugs and crime as social problems decreased. Compared to 1989, the number of articles on ecology, social security, and medical services plummeted. The only social problems that received distinctly more attention than previously were unemployment and national relations. According to Vyacheslav Afanasyev and Yakov Gilinskij, the overall reduction in the number of articles on social problems can be explained by the following trends: firstly, in 1991 and 1992, the press was entering a period of economic independence. Struggling for survival, newspapers had to give more space to advertising, at the expense of other materials. Secondly, the press became aware that its public had tired of serious, critical and shocking materials. Instead, the readers were oriented towards entertainment and the kind of information that had relevance to their everyday lives.

As noted earlier, the period of *perestroika* brought a remarkable increase in the significance of social movements as definers of social problems. Nevertheless, in early post-communism many social movements became, in fact, less active than they had been in late communism. This is understandable in the case of peace movements, as the Cold War had been over for a while and the nuclear threat appeared less imminent than before. One would, however, have expected a boost to the role of autonomous trade-unions; instead, research on the topic suggests that the new trade unions are poorly organised and not very effective (Cook 1995). Similarly, none of the green organisations have fared well in post-communist elections since 1990. According to Holmes, although there continue to be environmental activists, many politicians and citizens are more concerned with keeping their jobs and surviving than with worrying about the environment. The state of the feminist movements is similarly depressing.

There are only a few vague indications that some political parties are beginning to include feminist concerns and ideas in their programmes. On the whole, the fact that social movements have not emerged on a wider scale can be explained by the stumbling development of civil society. Holmes, like the theorists quoted in Chapter 2, argues that it will take time for citizens to appreciate fully that civil society and liberal democracy are not merely liberating; they also place far more responsibilities on the individual. Till now, the citizens have been used to a paternalistic state essentially determining what they can and cannot do. (Holmes 1997, 279, 281). Nevertheless, all these changes have had, and will have significant consequences to the whole process of defining social problems.

3.5 Changes in definitional frameworks - an outline for a comparative setting

In the above, I have argued that definitions of social problems are, above all, social constructions, bound to a particular time and place. Based on this, I will assume that the ongoing transition and transformation processes in Estonia, Russia and Finland do affect the influential groups' perceptions of social problems in these countries. The main assumption is that the framework of defining social problems is changing in all the countries studied: the state's role as the body responsible for people's welfare is diminishing, while more and more emphasis is being placed on the role of individuals, the market and civil society. For example, issues previously defined as social problems may now be considered as the inevitable price of transition to a market economy or as the individual's own problems, in which case no state-based solution is demanded.

As shown in the short "history" of how social problems were defined in socialism and early post-communism, the changes in the framework of defining social problems were particularly dramatic in Estonia and Russia. In Finland, the changes have been far less remarkable, but the state welfare apparatus has been losing its position as the most powerful definer of social problems.

As this study focuses on perceptions of social problems in societies experiencing profound and unpredictable changes, the most suitable means for analysing the data are found in social constructionism, which does not take definitions of social problems for granted. As Troyer has put it, the major advantage of social constructionism is that the life course of social problems is seen as a dynamic, open ended process (Troyer 1989, 48). Furthermore, to counter the arguments of those who question the applicability of social constructionism in post-communist countries, one can argue that, as an approach that sees social problems as the outcomes of definition processes and thus leaves them "open" to various interpretations, social constructionism is particularly suitable for analysing transition societies.

It is also true, however, that the elements of any definition of social problems can only be understood and explained in the context of a specific cultural and historical situation (Senn & Senn 1993, 239). Due to this fact, and to the criticism that has been targeted against the ahistoricity of North-American theories of social problems, my way of interpreting the data is compatible with contextual constructionism. In practice, this means incorporating knowledge of social conditions into the analysis, which is especially important in a comparative research setting in which one needs to take into

account various kinds of contextual factors in order to explain the similarities and differences between the countries compared.

According to the advice of Mary S. Senn and Peter R. Senn, those who study social problems should distinguish between the constituent parts of a social problem, the problem itself, its causes and its proposed remedies. (Senn & Senn 1993, 212). This is exactly what is done in social constructionist analysis and also in this study. More specifically, in analysing how social problems are defined by the interviewees, I will pay attention to the following questions:

- 1) How serious is the particular social problem?
- 2) Whom does it affect?
- 3) What is seen to be the cause of the problem?
- 4) How could the problem be solved?
- 5) Who is responsible for dealing with it?
- 6) Which problems are related to each other and in what ways?

All these questions are important in examining the definition of a given social problem. The questions concerning the causes and solutions are essential in order to examine who should assume responsibility for the prevention and treatment of social problems. The importance of the last question stems from the fact that there are often vital and unrecognised interrelations between various social problems (Simon & Henderson 1997, 13). Furthermore, the peculiarities of a given social problem as a societal phenomenon are better illustrated by comparing it with other problems.

Following the basic ideas of social constructionism, influential groups are regarded as claims-makers whose definitions of social problems both reflect and influence the public opinion and political decision-making. The influential groups and their role as definers of social problems will be discussed in greater detail in the following chapter.

CHAPTER 4. STUDYING INFLUENTIAL GROUPS - THE DATA AND THE METHOD

The power to define social problems and the capacity to do something about them is distributed unequally in every society. The plain reason why it is so important to study influential groups is that, compared to some other groups, their perceptions of social problems have a better chance of materialising and affecting the welfare policies implemented. Furthermore, as I argued in Chapter 2, influential groups are the leaders of social change and, therefore, they can be expected to be among the first to internalise the new values.

As Sztopka has put it, in post-communist countries "with the progress of democratisation, marketisation and privatisation, large segments of the population become involved in the operation of new institutions, link their vested interests with their development, and hence fall under their culture-shaping impact. The political class, the aware and responsible citizenry, the entrepreneurial middle class, and the professional groups grow in scope. They become the avant-garde of the new culture, and from them it emanates to other groups, still linked to the vestiges of socialist institutions." (Sztopka 1996, 127).

John Scott has similarly emphasised the importance of the values and norms held by those who are attached to dominant social institutions. According to him, social institutions are sets or systems of interrelated norms that are rooted in particularly important values and are, because of that, general throughout a society. This is relevant

because social institutions are closely linked to power. What follows is that norms may become partially institutionalised by virtue of a consensus among the ruling groups that can impose them on the rest of the society. Thus, the central values that underpin the leading social institutions of a society reflect the concerns of its dominant group and tend to override the values and interests of more peripheral groups. (Scott 1996, 98-99).

However, the influential groups represent different social institutions, and they do not necessarily present a completely united front regarding the values, norms and occupational interests which affect their perceptions of social problems. In order to form as complete a theoretical framework as possible for the study, it is necessary to consider these factors, as they may offer explanations for possible differences between the occupational groups as well as between the countries studied.

In this chapter, after giving reasons for why the influential groups consist of administrators, journalists and business people, I will concentrate on the question of values, norms and interests. This will be done with the help of existing studies on elites. Although I do not consider influential groups to equal elites, the studies on elites do provide useful information about the top-layers of the societies studied.

The method of the study is presented mainly by discussing the advantages of focus group interviews as a method of data collection. This being a comparative study, I will also debate questions relating to the comparability of the data. At the end of the chapter, I will introduce the influential groups interviewed in Estonia, Russia and Finland in 1995-1996.

4.1 Influential groups as definers of social problems

4.1.1 Administrators, journalists, business people and the question of power

In each country, the focus groups consisted of administrators, journalists and business people. Administrators were selected because they represent the state, business people because they look at the world from a market point of view, and journalists because they are usually well informed on the overall sentiments of the citizens since they mediate the citizens' relations to the state and the market. The purpose of choosing the group interviewees from these three different arenas was to make sure that the discussion on social problems would be sufficiently diverse and contain all the relevant interpretative frames available for dealing with the social problems topical in the particular cultural moment.

Another assumption was that the people working in these fields confront, in their daily routines, the social tensions brought forth by the on-going social change. The cultural consciousness of the representatives of the mass media stems from the fact that they operate at the cross-roads of conflicting voices from which they filter information to their audiences. The representatives of administration also observe transition or transformation from a lookout spot. Their work, however, puts them in a position quite different to that of journalists. Their duty is not only to expose social problems but also to intervene in them. Therefore, their occupation usually leads them to handle social problems from the perspective of the state. Business people, too, live in the vanguard of social change. In post-communist countries, this is related to the construction of a market economy; in Western welfare states, the social change is related to a new globalisation of the markets. (Törrönen & Hanhinen 1998, 22).

Then, there is the question of power. Due to their institutional resources, symbolic authority and close connections to the larger public, administrators, journalists and business people have power: their definitions of social problems, of their causes and of the division of responsibilities linked to them are more likely to "come true" than those presented by other groups. Thus, the perceptions of the influential groups not only pertain to current social problems but have significant social consequences. (Törrönen & Hanhinen 1998, 23).

Steen, who has conducted an extensive study on elites in the Baltic countries, has pointed out that the justification for using the elite as a unit of analysis is the assumption that the members of elites hold positions of influence regarding important problems in the political process. Elites are supposed to be influential in setting the political agenda, in proposing solutions, and in making and implementing policy decisions. Furthermore, Steen argues that, by examining several institutions, it is possible to compare how persons in leading positions may perceive and influence problems in different ways. (Steen 1997, 15).

In spite of their unquestionably influential positions, the persons interviewed for this study are not regarded here as members of elites. It should be noted, however, that there is no commonly accepted definition of elite. The size of what we define as elites will always depend on where we draw the line between those who are in power and those who are not. Elite theorists have also discussed the difference between "power" and "influence" (e.g. Ruostetsaari 1992) and, according to this distinction, the persons interviewed for this study certainly have "influence," but it is difficult to define how much power their positions as journalists, administrators or business people have.

Due to these problems of definition, it is clearer to call the interviewees members of "influential groups" and not members of elites, despite the fact that, according to some definitions, both labels would be appropriate. This is the case with, for example, the definition proposed by C. Wright Mills. In his classical analysis, he argues that power elites are composed of an inner core and outer fringes. The former consists of those who interchange commanding roles in various dominant institutional orders. For example, the executive can become a general, the general a statesman and the statesman a banker. These people are the core members of the power elite, although they are not necessarily familiar with every arena of power. The outermost fringes of the power elite - where the interviewees in this study could well be said to belong - consist of "those who count." According to Mills, "each member of the power elite need not be a man who personally decides every decision that is to be ascribed to the power elite." In any case, the people in the outer fringes are "the men who, in decisions in which they take no direct part, are taken into decisive account by those who are directly in charge." (Mills 1956, 288-290). All in all, because the influential groups are, in fact, so close to actual elites, I regard it as appropriate and fruitful to use other studies on elites as an aid to theorising their position as influential groups in their countries and as definers of social problems.

4.1.2 The role of values and interests in guiding the perceptions of influential groups

As I argued in Chapter 3, social constructionist analysis concentrates on explaining how and by whom particular issues come to be defined as social problems. In addition, contextual constructionism emphasises the importance of contextual factors which may help to understand the definitions of social problems. However, even contextual constructionism disregards the role of values and norms in shaping the modes of

thought of those who define social problems. It also puts very little emphasis on the interests that claims-makers may have in making the kind of claims they do. As stated in the previous chapter, these issues have been briefly dealt with in the "public arenas model" (Hilgartner & Bosk 1988) which pays attention to the differences between different arenas and to the fact that the principles of defining issues as social problems are influenced by, for example, cultural preoccupations, political practices and economic interests. However, when one wants to understand perceptions of social problems, these values, norms and interests are of such crucial importance that they deserve more thorough consideration.

The idea that the actions of individuals or groups are shaped by shared norms and ideas can be traced back to Durkheim, who argued for the recognition of the centrality of normative elements to social life. Durkheim saw these norms and ideas as collective representations that come together to form a *conscience collective*. According to Scott, the sociologist who did the most to articulate this view was Talcott Parsons, who converted Durkheim's arguments into a more abstract and general theory of society. The distinguishing characteristic of normative functionalist theory, which originated from Parsons' thinking, has been its emphasis on the crucial significance of values and norms in the structuring of social action. The central contention has been that societies are organised around "a more or less common set of values" and so constitute "moral communities." Moreover, social order is seen as resulting, above all, from the effect that these cultural meanings have on the members of a society. (Scott 1996, 95-96).

In other words, realities are always socially constructed and, because of that, culture has a powerful influence on the existing moral order. It is important to note, however, that

although people are always cultural, because they are born into and live in a culture, they are also individuals, because no two people have identical socialisation histories (Pearce & Littlejohn 1997, 62). Consequently, the degree of cultural agreement within a society that has a common culture may, in fact, be quite variable. While there may be a high level of agreement about some things, forming the basis of a dominant system of norms, it is also possible that there are competing value systems and other norms that are effective only within a particular subculture. Therefore, there are always strains and inconsistencies in cultures, especially in those of complex and highly differentiated societies. (Scott 1996, 98). This point is particularly relevant as concerns transition societies, where the rapid changes in social structure call for changes in norms and values. Norms and values do not, however, change overnight, which may result in serious contradictions for the people trying to survive in completely new circumstances.

To sum up, in order to understand and compare influential groups' perceptions of social problems, we need to be aware of the fact that different individuals, groups and societies have different values and norms which may affect their perceptions. In this study, I will assume that differences are more likely to occur between different occupational groups and societies than between the individuals in a particular group; the members of each group share a fairly similar habitus and, consequently, fairly similar norms and values.

In addition, in order to predict and explain differences between occupational groups, it is important to consider what kind of private and public interests the influential groups have. In other words, what are they, perhaps, hoping to achieve when they define something as a social problem or demand a certain kind of social policy to be implemented in their countries? However, before forming any hypothesis on the

interests of administrators, journalists and business people, I will look at former studies on elites, because they help to understand the interests and general position of elites and influential groups in their societies.

As concerns Estonia and Russia and the post-communist countries in general, previous studies on elites have concentrated on finding out "to what extent the old *nomenklatura* is still in power." James Hughes, among many others, has stated that elite configurations and behaviour are crucial factors in determining how governance and power are organised and exercised in any society. Furthermore, he argues that the extent to which there has been adaptation and continuity, circulation or turnover of ruling elites is an important dimension for any evaluation of post-communist transition. In simple terms, the question is whether those in power represent the old elite, who might want to maintain stability, continuity and conservatism, or the new elite, who might embody innovatory democratic and market values. (Hughes 1997, 1017).

The existing studies on elites in transition societies do not, however, offer any unambiguous answer to the question of "what happened to socialist elites with the transition to post-communism?" According to Iván Szelényi and Szonja Szelényi, two competing answers have been offered to this question. The first suggests that revolutionary changes in Eastern Europe did not affect the social composition of elites: the old *nomenklatura* elite has managed to survive at the top of the class structure and is now becoming the new propertied bourgeoisie. The second argument claims that the transition to post-communism resulted in a structural change at the top of the class hierarchy and, therefore, new people are recruited for command positions on the basis of new principles. (Szelényi & Szelényi 1995, 615-616).

The dominant view seems to support the first argument. For example, in Szelényi's and Szelényi's study on elite reproduction in Hungary, Poland and Russia, the main result was that there has been a limited outflow from the old *nomenklatura*, and many of those who were in *nomenklatura* positions in 1988 were still found in top elite positions five years later. This was the case especially in Russia, where the old *nomenklatura* has survived at the top of the class structure. Partly, this has happened through the so called *nomenklatura privatisation* in which the former party elite has used its political power to gain private wealth. (Szelényi & Szelényi 1995, 617, 621, Hughes 1997, 1018).

Stelian Tanase shares the opinion that the circulation of the elite is still very restricted and that the continuity of bureaucracy was and is more apparent than any discontinuity. According to the author, the process is in different stages in different countries; nevertheless, it is the same from Prague to Vladivostok. (Tanase 1999, 362). This result is confirmed by Steen, who suggests that the new elite in Estonia also comes from previous high positions. He estimates that as many as 54 per cent of the members of the new elite were in leading positions before the transition. (Steen 1997, 38, 40). This may have been the case at the beginning of the transition. However, considering the history of Estonia's struggle to independence, I am inclined to believe that there has later been more vigorous turnover of the Estonian elite. An indisputable indication of this is the fact that the 1992 elections resulted in a Parliament that was 99 per cent ethnic Estonian. In 1995, the disproportionate situation was corrected, to some extent, as six ethnic Russians were elected to the parliament. (Järve & Wellmann 1999, 8).

The view regarding the permanence of the old power elite has also been challenged by H. Leiulfsrud and P. Sohlberg, who argue that elites in transition societies are not at all

easily identifiable or definable, due to fundamental changes in the whole social structure. Using the conceptual apparatus of Pierre Bourdieu, the writers argue that periods of rapid change create pressure to capital conversion among groups with extensive capital resources. (Leiulfsrud & Sohlberg 1993, 67). The same point has been made by Eyal et al., who analysed *nomenklatura privatisation* and stated that there have been few limits, in Russia, to the convertibility of political capital to economic capital (Eyal et al. 1998, 4). According to Leiulfsrud and Sohlberg, these conversions of capital are, however, anything but smooth. They are characterised by a struggle between the different values of potential capital assets. This struggle can, in turn, be seen as part of the actual process of change and disorganisation, which may involve, for example, the development of new social fields. In the Baltic countries, for instance, new social fields emerged in the administrative and organisational structure after ethnicity (or citizenship) became an important capital asset. (Leiulfsrud & Sohlberg 1993, 67- 68).

In addition, Leiulfsrud and Sohlberg point out that elite positions and the forms of capital that different types of elites possess are considerably less stable in transition societies than in stabilised Western democracies. One example of this is the different meaning of economic capital in Eastern and Western societies. The authors argue that Bourdieu regards economic capital as wholly unproblematic; it is an absolute resource that is universally accepted. However, in the Baltic context (and in post-communist countries in general) there is good reason to deal with economic capital as analogous to symbolic capital and dependent on social fields other than the economic markets. Furthermore, Leiulfsrud and Sohlberg state that the close relationship between economic and social capital has to do with the fact that individual and collective actors are linked by more than just strictly contractual relationships. All transactions take place

against the background of an old social structure and within the context of a new, as yet incompletely established market mechanism. Therefore, economic resources are mediated in a different way and find a different expression than in countries like Finland, where the economy is more formalised and involves mainly formal, contractual relationships. To further illustrate their point, the authors state that, in a situation where normal means of living, such as wage employment or pensions, are no longer sufficient to guarantee a reasonable livelihood, access to network contacts (social capital) can become crucially valuable. (Leiulfsrud & Sohlberg 1993, 66).

Leiulfsrud's and Sohlberg's views have been questioned in a more recent study on elites in post-communist countries. According to a statement made by Eyal et al., "post-communist society can be described as a unique social structure in which cultural capital (education, skill, credentials) is more important than economic capital (property ownership) or social capital (social network ties) for attaining elite status, and privilege." (Eyal et al. 1998, 6, 18). Their study is undoubtedly closely argued, but still I would not overlook the importance of network contacts. Regardless of how informal or formal the contacts between influential persons or the members of elites are, the situation in all three countries, Estonia, Russia and Finland, is quite similar.

According to Steen, the Baltic elite are establishing networks involving the most strategic institutions. These networks are based on both the established state administration and the new market institutions. In Estonia, many elite persons have informed that they have frequent contacts with other members of elites in Parliament, central bureaucracy and the mass media: especially with business leaders, whom the new market economy has brought in focus. (Steen 1997, 118, 120).

As concerns Finland, the results of the most extensive study on elites conducted in the country clearly indicate that the Finnish society is governed by a homogeneous power elite, the members of which are in close interaction with each other. Furthermore, the study revealed that the elite are in closest contact with the representatives of the mass media and private enterprises. Reasons for the homogeneous elite are sought from the fact that, during the last decades, the Finnish society has been very state-centred. Another influential factor is that, in Finland, the headquarters of the most important organisations are all in Helsinki, which creates the prerequisites for personal contacts between representatives of these organisations. (Ruostetsaari 1992, 56, 66)

We can suppose that Tallinn is, similarly, the centre of nation-wide decision-making in Estonia. Russia, however, represents a different case. According to Hughes, in the context of weak nation states regional-elites become more important than national ones because, after all, it is in the sub-national level that government most impinges upon the daily life of citizens. (Hughes 1997, 1017). This result is of obvious importance as we consider the position and significance of the St. Petersburg influential groups who represent Russia in this study.

Elite networks in Russia follow the pattern observed elsewhere. Hughes, for example, has demonstrated that the regional political elite networks are characterised by an interlocking of the political-administrative and business elites and an eroding of occupational boundaries. In addition, he suggests that the emergence of corporate and other private sector elites that are in close contact with administrative elites means that networks and coalitions between public and private elites are becoming an increasingly important factor in understanding the transition in Russia. (Hughes 1997, 1031-1032).

On the whole, previous studies of elites in Estonia, Russia and Finland speak strongly for the importance of elite networks by revealing the close contacts that elite persons have with each other. As concerns the aims of this study, this raises the question "is this homogeneity reflected in the perceptions of different influential groups, or do these groups, nevertheless, have strong occupational (or personal) interests that have an effect on their perceptions?"

A well-known answer is that provided by Bourdieu, who has analysed different social and occupational groups through the concept of "field." According to Bourdieu, the different fields have a significant impact on the perceptions of the individuals operating in them¹. He characterises the fields by stating that, although the individuals in a particular field do compete with each other, in the end the fields are very coherent, for the individuals have common interests. However, each field calls forth and gives life to a specific form of interest, and one of the central features of every existing field in a society is that the participants in a field constantly work to differentiate themselves from the closest rivals. (Bourdieu & Wacquant 1992, 100, 103, 117).

Steen shares the view that the particular elite group into which one belongs does determine one's behaviour and attitudes. He suggests that, in comparing elite groups, one might expect those most dependent on the state sector, for example the leaders in administration, to be the most sympathetic to state responsibilities in the social sector.

¹ In the words of Bourdieu, "the notion of field reminds us that the true object of social science is not the individual- ... - It is the field which is primary and must be the focus of the research operations. This does not imply that individuals are mere 'illusions,' that they do not exist: they exist as agents - ... - who are socially constituted as active and acting in the field under consideration by the fact that they possess the necessary properties to be effective, to produce effects, in this field. And it is knowledge of the field itself in which they evolve that allows us best to grasp the roots of their singularity, their *point of view* or position (in a field) from which their particular vision of the world (and of the field itself) is constructed." (Bourdieu & Wacquant 1992, 197).

(Steen 1997, 5, 296). This argument receives support from many researchers who have considered the interests of elites or influential groups. Szacki, for one, states that, due to the fact that the core of the state bureaucracy was shaped under real socialism, in questionable cases the average civil servant tends to choose an étatist solution rather than try to find an alternative one (Szacki 1995, 161).

The reasoning might be slightly different, but the interests of administrators are supposedly the same in the more stabilised democracies. Mullard and Spicker, for example, have pointed out that access to information puts public sector officials in a monopoly position. In a complex society, ministers have to rely on the advice of their civil servants. However, those who work in the public sector also make choices through rational self-interest. Public sector employees have been willing to strike for wage increases and better working conditions, utilising their monopoly position as the providers of welfare. (Mullard & Spicker 1998, 60). Consequently, one could assume that in Finland the professionals of education, who form the other group of administrators, would have a self-interest in putting forward problems occurring in their field in order to get more resources from the state.

Altogether, the existing evidence on elites and different occupational groups' interests is somewhat contradictory, and it is thus impossible to build a strong hypothesis concerning how the occupational interests or self-interests of administrators, journalists and business people supposedly guide their perceptions of social problems. On the one hand, it could be argued that in Estonia and Russia, as well as Finland, the administrators still have a clear self-interest in emphasising the role of the state in

preventing and treating social problems. One might even expect them to emphasise it simply because they are so "used to étatist solutions."

On the other hand, if we consider the ongoing transition and transformation processes and the growing importance of the market, also reflected in the fact that economic elites are becoming increasingly more influential in the close networks of elites, then all the influential groups could be assumed to be "market oriented." This orientation could strongly guide their perceptions of social problems towards the direction suggested previously, i.e. that the state is losing its significance as a frame of reference in defining social problems.

As concerns the post-communist countries, this point of view receives support from Steen, according to whom the Baltic elites in general are less oriented towards "equality" and more "market oriented" than the public in general (Steen 1997, 255). Similar results have been reported by Szelényi and Szelényi, whose analysis of Hungary and Poland showed that the discrepancy between the rhetoric of the new political elite and the value system of the society became apparent as early as in 1990. While the new elite began to push hard for a free market, individual responsibility, privatisation, and the elimination of the welfare state, public opinion polls showed that there was strong public support for egalitarian values and for the welfare state. (Szelényi & Szelényi 1995, 634). These results further confirm the assumption that the new elite has, in fact, internalised the "new values" whereas the public is still lagging behind.

In any case, all of the issues discussed above also have importance considering the method of this study. As Jenny Kitzinger has put it, "those using focus groups should

pay close attention to the composition of groups and how the characteristics of a particular group may influence what has been said” (Kitzinger 1994, 112-113).

4.2 Focus group interviews as a method of data collection

Many reasonable arguments are in favour of focus group interviews as a data collection method. A focus group interview is a good way to uncover the processes of defining social problems, because the method brings out the commonly shared cultural ways of seeing the world and understanding its processes. The group is like a miniature community in which the views are collectively tested. An often emphasised advantage of the focus group interview is that it creates a proper environment for the emergence of a multitude of perspectives of conceptualising the phenomenon under discussion. Therefore, it lays out what the areas are that the members of the group agree and/or disagree on and where they meet. (Morgan 1988, 18, Törrönen & Hanhinen 1998).

The literature on the focus group method gives contradictory advice concerning whether the participants should know each other or not. In this study, each group was formed of people representing the same institution. This was done following the suggestion of David L. Morgan (1988), who recommends that the social backgrounds and lifestyles of the participants should not differ much; some common ground is needed to make sure that they are able to talk to each other.

Regardless of the composition of a group, it is important to note that the group process is not only about consensus and the articulation of group norms and experiences. Differences between individuals within the group are equally important. The differences

between participants allow a researcher to observe not only how the people theorise their own point of view but also how they do so in relation to other perspectives and how they put their own ideas "to work." This process, in itself, clarifies what the people are saying. In addition, diversity within a group ensures that the people are forced to explain the reasoning behind their thinking. Furthermore, different assumptions are thrown into relief by the way in which the participants challenge each other, the evidence they bring to bear on an issue, the sources they cite, and what arguments seem to sway the opinion of other members of the group. (Kitzinger 1994, 113-114).

All these are issues which I paid attention to when I was analysing the data. For instance, when the participants did not agree on a particular issue, they did use multiple ways of forming convincing arguments. This was very fruitful for my analysis of discussions on the most preferable welfare models, which was the topic that the interviewees most often disagreed on.

Another commonly noticed advantage of using focus groups is the fact that, in group interviews, mutual interaction between participants replaces their interaction with the interviewer, leading to a greater emphasis on the points of view of the participants. In fact, the use of interaction as part of the research data is supposed to be the distinguishing feature of focus groups. However, as Kitzinger has correctly pointed out, very few studies concentrate on the conversation between participants, and very few have ever included quotations from more than one participant at a time (Kitzinger 1994, 104). The latter grievance is redressed in this study, for I do use rather long quotations which involve many speakers; in many cases, these were the most illuminating ones as concerns how the interviewees formed and presented their perceptions. However, due to

the length and poor structure of focus group data, I do not analyse the interaction between participants.

This is also the reason why no semiotic tools were used in the analysis. Instead, "thematic reading" was regarded to be appropriate for the research task. Moreover, the analysis uses a *factist perspective*. This approach to data is commonly used in analysing structured or "open-ended" interviews. It can help the researcher see the actual behaviour, attitudes and real motives of the people studied. (Alasuutari 1995, 47). According to Pertti Alasuutari, the central characteristic of the factist perspective is that there is a clear-cut distinction between the world or reality "out there" and the claims made about it. Another characteristic of this perspective is a pragmatic or common-sense notion of truth as applied to the reality which the researcher is after when conducting interviews: the texts, interviews and speech used as research material are assessed as more or less honest and truthful statements about the outside reality. (Alasuutari 1995, 47, 63).

The focus of my analysis is on "the claims made about the reality out there" but I have taken Alasuutari's advice about always needing to define the "cultural position" of the data before drawing conclusions from the data set or parts of it. (Alasuutari 1995, 45).

For qualitative research in general, the context is usually highly relevant both to understanding what is going on and to validating analytical claims. According to Jennifer Mason, the researcher will always want to do some contextualising, whatever the purpose, especially when he/she is investigating the nature of social processes. In practice, this means bringing to bear other data that can help make sense of, and make

the most of, the data in hand (Mason 1994, 95). Of course, making references to other research and relevant literature is also a way of proving that the observations and interpretations are valid. Furthermore, as Alasuutari has pointed out, the model of explanation must fit in, as neatly as possible, with the empirical data of the study. It must be coherent and logical, and it needs to be supported by as many observations about the data as possible (Alasuutari 1995, 45, 152).

As we have seen, there are many ways of assuring the validity of interpretations. Qualitative research and focus group interviews, however, have problems with generalisability. According to Henry Teune, one general rule as concerns generalisability is that the more enmeshed within the system the component of analysis is, the greater the chances that its characteristics and behaviour will manifest characteristics of the system as a whole (Teune 1990, 50). Alasuutari, in turn, suggests that, instead of analysing generalisability (which should be reserved for surveys only,) we should look at how the researcher demonstrates that the analysis relates to things beyond the data at hand. In this study, as so often in qualitative studies, the problem is resolved by referring to other research on the topic at all stages of the study (cf. Alasuutari 1995, 153). The available statistics on social problems, for instance, proved a helpful tool in contextualising and explaining the influential groups' perceptions of social problems.

4.3 Notes on comparability

The task of comparing qualitative data across countries is a new challenge to social sciences. However, for several reasons, in recent years there has been an increase in

comparative studies. According to Else Øyen, the main reason, or the major "external force" behind this, is the growing internationalisation and the concomitant export and import of social, cultural and economic manifestations across national borders. This globalisation process is changing our cognitive map and, as a consequence, some cultural differences are diminishing while others are becoming more salient. Furthermore, due to the "globalisation of problems," many national issues are not merely national anymore. The air we breathe is polluted from faraway sources, the suppression of minorities has become public property throughout the world whenever caught by television cameras, and an understanding of the poverty in the Third World cannot be isolated from a consideration of the wealth accumulated in the rich countries. (Øyen 1990, 1-2). All these factors are in favour of comparative studies on social problems.

In addition, as Senn and Senn have pointed out, most literature on social problems is idiosyncratic and devoted to the problems of a specific country at a specific time. Only a very few comparative international studies look at what are perceived to be social problems at one and the same time but in different places. The authors continue by stating that "it is very likely, however, that the process by which a social issue becomes to be defined as a social problem is not arbitrary" and that, therefore, "in principle one should be able, on scientific grounds, to predict what conditions will become to be defined as social problems." (Senn & Senn 1993, 238). In practice, this task may be too ambitious, but a comparison of the definition processes of social problems in different countries will surely help us to understand the specific social, cultural and political factors that guide perceptions of social problems in any particular country, since a society's uniqueness becomes more apparent when the society is contrasted to others.

Doing cross-national comparisons is, however, problematic. The major question is "how can one compare countries with different histories and cultures, particularly without perfect knowledge of these countries?"

Literature on comparative research offers some guidelines. Teune, for example, emphasises that, whatever kind of cross-national comparisons we make, we must have theoretical justification for selecting the countries and time points we do, because if the choice of countries has its roots in theory, then the countries are potentially theoretically relevant (Teune 1990, 45).

The second lesson learned from previous comparative studies is that the existence of fundamental differences between nations does not, in itself, constitute an obstacle to comparisons; however, it is crucially important that the national context is taken into account in formulating the qualities or variables reflecting this difference. As Leiulfsrud and Sohlberg aptly point out, the national characteristics will appear completely meaningless if they are examined out of context. (Leiulfsrud & Sohlberg 1993, 64).

Some researchers, like Mikhail Bakhtin, Caryl Emerson and Michael Holquist (1990) claim that "it is only in the eyes of another culture that foreign culture reveals itself fully and profoundly." On the basis of my experience in comparative studies, no researcher should ever underestimate the importance of taking the context into account. As concerns this study, it is easy to illustrate why the contextual factors are crucial. Let us consider, for example, the questions of "how do we compare the definitions of poverty in different types of societies" and "to what extent are the influential groups talking about the same thing when they talk about poverty?" Although, from the social

constructionist point of view, social problems are, above all, the results of different kinds of definition processes, these questions cannot be answered without extensive knowledge about the context. We need to have some knowledge about the historical, cultural and social context at the moment something is defined as a social problem. We need to know the tradition or history of the particular issue, the interests of the so called claims-makers in making the kind of claims they do - the list of factors that can affect perceptions of social problems is endless.

The third point I want to make about comparative research concerns the problems in comparing Eastern and Western countries. As Michael Burawoy and Katherine Verdery put it, when one is making comparisons between post-communist and other countries, there is a danger of comparing the former with ideal-typical conceptions of the West and with textbook notions of the free market and liberal democracy. In other words, the transition societies are seen only in terms of deficits and their specificity, and their distinctive dynamics are missed. (Burawoy & Verdery 1999, 15).

The way to overcome this problem is to treat countries as unique cases and make comparisons only at a later stage. According to Leiulfsrud and Sohlberg, this is the usual strategy in cases in which there appear to be unsystematic differences that cannot be properly grasped. The case approach typically involves the idea that the individual case has unique qualities, or that it constitutes such an isolated system that the only sensible thing is to approach it as an isolated entity. (Leiulfsrud & Sohlberg 1993, 63).

This study, too, is case oriented. In practice, this means that I will not conduct a straightforward comparison between Estonia, Russia and Finland, regardless of the

theoretical framework that would justify the comparison theoretically. Instead, for the reasons discussed above, the countries are dealt with as separate entities. Estonia and Russia will be analysed in the same chapter since, after all, they do share a similar historical context, which enables a relatively mechanical comparison between these countries. In the end, I will compare influential groups' perceptions of social problems across Estonia, Russia and Finland. This secondary comparison is based on the main results gained from the case studies. Thus, instead of aiming at a detailed and mechanical comparison, I will focus on "general trends in development."

All in all, since the study aims at comparing perceptions of social problems, several measures have been taken in order to assure the comparability of the data. Careful planning of the research setting included, first of all, designing the interviews so that the questions and the texts used as stimuli for the discussion were culturally comprehensible in all countries (see Appendix A). The interviews were carried out by native researchers and, therefore, test interviews were arranged in order to make sure that the interviews would be conducted following the same procedures. Finally, in each country, the interviewees were selected according to similar principles.

4.4 The data

In **Estonia**, the data were collected in Tallinn during the time period from November 1995 to February 1996². Typically, one interview lasted from two to three hours. A total

² The interviews were conducted by researchers living in Estonia. Some results based on the same data have already been reported in the autumn of 1998. (Lagerspetz et al. 1998). The interviews were later translated into Finnish, the native language of the author of this study.

of five groups were interviewed, among them two groups of journalists, two of business people, and one of administrators. All groups included both men and women, and their size varied from four to eight persons. The two groups of business people were chosen so that they would represent different spheres of society with different interests: the first group was comprised of leaders of the state-owned enterprise "Eesti Energia," one of the largest enterprises in Estonia, with a key position in the production and distribution of energy. The other consisted of managers in private-owned firms. The group of administrators was made up of medium level officials of the Ministry of Social Affairs. The journalists represented two weeklies, "Eesti Express" and "Maaleht," the circulations of which, at the time of the interviews, were 54,900 and 43,700 respectively. (Lagerspetz et al. 1998). "Eesti Ekspress," founded in September 1989, is an independent, privately owned general-interest weekly which has dominated the market in terms of circulation figures and influence from the outset (Lauristin & Vihalemm 1993, 263). In terms of audience, these two weeklies represent distinctly different sections of the population. "Eesti Express" is a political and cultural weekly, mainly known as the trend-setter among younger readers residing in the greater Tallinn area, while "Maaleht" focuses on regional and agricultural concerns and is mainly read by people living outside the bigger cities. (Lagerspetz et al. 1998).

As concerns **Russia**, the perceptions of the influential groups in St. Petersburg are used as an example for the purpose of investigating perceptions of social problems in the Russian society at large. As with Estonia, the interviews were carried out in 1995-1996 by local researchers. The main results have been reported in Afanasyev 1998, and the analysis made here is based on the "secondary" interpretation of the data.

In St. Petersburg, three groups were interviewed, each containing five persons. The journalists all represented "Smena," a St. Petersburg daily, which has the third largest circulation among St. Petersburg newspapers. The business people were the heads of private companies, representing the medium level of local enterprises. The administrators were chosen from the Legislative Assembly of St. Petersburg, the supreme legislative body in St. Petersburg, into which fifty deputies are elected by the citizens every four years. (Afanasyev 1998, 157).

In **Finland**, the group interviews were conducted in Helsinki during the spring and summer of 1995. A total of six groups were interviewed, two from each field of professional expertise. The first group of newspaper journalists was from the biggest independent newspaper in the country, namely "Helsingin Sanomat," and the second group was from the most influential politically dependent leftist newspaper, "Demari." Interviewees from the field of administration were recruited from state administration. The first group consisted of civil servants from the Ministry of Education and the second group of civil servants from the Ministry of Finance. Business people were represented by two groups from the largest companies in Finland at the time: "Neste" and "Nokia." The former is a state-owned company, operating in the field of energy industry, and the latter is a private company specialising in telecommunications.

Ten persons were invited to participate in each group. In practice, the size of the groups varied between 6 and 10 persons. In terms of gender, they can be called mixed groups: only one group, composed of interviewees from "Neste," was "gender-biased," with only one woman in it. The interviews took place at the Social Research Institute of

Alcohol Studies, and the sessions lasted from one to two hours. (Hanhinen & Törrönen 1998, 60).

In each country, the interviews were tape-recorded and video-taped, so that the speakers could later be recognised. Throughout this study, the names of the interviewees have been changed and, in order to further protect the identity of the interviewees, the institutions represented by the speakers are not given with the quotations. Other characteristics of the interviewees (e.g. nationality) are reported in the course of the analysis if they are considered relevant for explaining the results. As the following chapters will show, all the participants seemed motivated to discuss the topic of the study, which resulted in long interviews and very rich data.

CHAPTER 5. INFLUENTIAL GROUPS' PERCEPTIONS OF SOCIAL PROBLEMS IN ESTONIA AND RUSSIA

The influential groups' perceptions of social problems in Estonia and Russia are analysed by examining their definitions of social problems. This involves answering the following questions: which issues are regarded as the most serious social problems, what causes these problems, and what kinds of solutions are suggested for them? Following the contextual approach of social constructionist theory, the results will, in most cases, be interpreted with the help of "contextual information" about social conditions.

The interviewees' perceptions of the most expedient social policy for their country are one focus of this chapter, and another is finding out how definitions of social problems have changed during the period of transition and how they vary between Estonia and Russia. At the end, I will discuss the results of the analysis and suggest a new framework of defining social problems.

5.1 The seriousness of different problems

The first questions put to the influential groups concerned their perceptions of the most serious social problems in their societies, in the respondents' places of residence and in their families. A summary of what the interviewees perceived as the most serious social problems on a societal level is presented in Table 5.1¹.

¹ A more detailed table on influential groups' perceptions of social problems in Estonia is presented in Appendix 5.1 (Table 1). Information concerning Russia is obtained from Afanasyev (1998, 158).

Table 5.1. Summary of influential groups' perceptions of the most serious social problems in Estonia and Russia.

ADMINISTRATORS		JOURNALISTS		BUSINESS PEOPLE	
Estonia	Russia	Estonia	Russia	Estonia	Russia
Crime against person	Crime against person	Crime against person	Crime against person	Crime against person	Crime against person
Poverty	Poverty	Poverty	Poverty	Poverty	Poverty
Drunkenness and alcoholism	Environmental pollution	Drunkenness and alcoholism	Ethnic problems	Ethnic problems	Environmental pollution
Poor health of the population	Poor health of the population	Poor health of the population	Poor health of the population	Declining birth-rate	Poor health of the population
Poor housing conditions	Poor housing conditions	Problems of privatisation	Poor housing conditions	Problems of privatisation	Poor housing conditions

As Table 5.1 indicates, one significant feature in the influential groups' definitions of social problems is the striking similarity between the groups and countries studied. Nearly all the groups, in both Estonia and Russia, agreed that *crime against person*, *poverty*, *poor health of the population* and *housing problems* were among the most serious social problems in their countries. It should be noted here that, in Estonia, the category of "problems of privatisation" covers mainly problems in the privatisation of housing, i.e. "housing problems." A few Russian groups emphasised the importance of *environmental pollution* and, in Estonia, the problems of *alcoholism and drunkenness* were listed among the most serious social problems. In addition, *ethnic problems* were mentioned by one group in each country.

The picture becomes more scattered when we examine perceptions of social problems at the local or individual level. In Estonia, most groups were quite vague on the matter. The problems visible at the local level were the most thoroughly discussed by a group of managers representing private enterprises: clearly visible social problems in their residential areas included, for example, crime, declining birth-rate, drunkenness and alcoholism, poverty and unemployment. The fact that, unlike the participants in any other group, most members of this group lived outside the capital area of Tallinn may well explain their interest in local social problems, since all the groups agreed that social problems were even more severe in rural areas. The social problems of crime, poor health of the population, poverty, problems of education and problems of privatisation had all affected the lives of the Estonian interviewees or their families in some way.

In Russia, the majority of the interviewees mentioned the problems of poor health of the population and environmental pollution as social problems that afflicted their families. In addition, some of the respondents brought up crime and poor housing conditions in this context. Interestingly, however, none of the interviewees mentioned poverty. All in all, the Russian interviewees put much less emphasis on personal experience when defining the most severe social problems in their country. This notable difference between the countries studied will be debated at the end of this chapter.

According to social constructionist theory, a phenomenon cannot be regarded as a social problem unless the claims-makers demand that it be solved (e.g. Spector & Kitsuse 1987). Thus, "the need for an urgent solution" is an important dimension in the process of defining social problems.

When this dimension is included in the analysis, the ranking of the most serious social problems changes somewhat. When the Estonian interviewees were asked to indicate the social problems that most urgently need to be solved in their country, crime against person was, again, mentioned as a priority by all groups. The second and third most urgent problems were declining birth-rate and problems of education. In Russia, all the groups mentioned poverty as one of the most pressing social problems. Crime against person, poor housing conditions, poor health of the population and environmental pollution also ranked high in this respect (Afanasyev 1998, 163).

In order to fully grasp the logic according to which something is defined as a serious social problem, it is necessary to compare that something to issues that are regarded as less problematic. A useful categorisation of social problems has been provided by Saija

Järvinen, who has studied public opinion on social problems in Finland. Järvinen has divided social problems into four categories. According to her, issues that are regarded as very serious, prevalent and in urgent need of solution can be called *fully-fledged social problems*. Phenomena for which there is considered to be a "medium need for solution" can be defined as *existing and prevailing social problems*. Her third category of *potential social problems* consists of issues for which there is less need for solution but which are, nevertheless, classified as social problems. Finally, the last category includes *minor or marginal issues* and *non-existent social problems*. (Hanhinen & Järvinen 1996). Following Järvinen's classification, the social problems in Estonia and Russia can be organised in the following way (Table 5.2²).

² Due to insignificant differences between occupational groups, the comparison presented in Table 5.2 only includes the countries studied.

Table 5.2. Classification of social problems in Estonia and Russia.

	ESTONIA	RUSSIA
Fully- fledged social problems	Crime against person Poverty Poor health of the population Problems of privatisation Declining birth-rate	Crime against person Poverty Poor health of the population Poor housing conditions Environmental pollution
Existing and prevailing social problems/ Potential social problems	Problems of education Alcoholism and drug abuse Ethnic problems Unemployment Economic problems Homelessness	Problems of education Alcoholism and drug abuse Ethnic problems
Minor or marginal issues and non-existent social problems	Problems caused by smoking Prostitution Inequality between men and women Domestic violence Deterioration of cultural life Unemployment Environmental pollution Homelessness and poor housing conditions	Problems caused by smoking Prostitution Inequality between men and women Domestic violence Problems of privatisation

The issues considered as the most serious social problems, calling for an urgent solution, can thus be defined as *fully-fledged social problems*, in other words social problems *par excellence*. Most of these social problems, already presented in Table 5.1, were also dominant topics in all the group discussions. Poverty and crime in Russia are exceptional in that they were not thoroughly discussed in the group sessions. According to Afanasyev (1998), the explanation for this is their obvious nature as social problems. Nevertheless, these particular problems were listed among the most serious and in

urgent need of solution. In the following chapter, the logic behind all the *fully-fledged social problems* will be examined in greater detail.

Problems of education and ethnic problems, for example, can be called *existing and prevailing social problems*. In Estonia, problems of education, although seldom regarded as being among the most serious social problems, were relatively frequently mentioned among the social problems which need an urgent solution.

The status of ethnic problems was more contradictory in both countries. Russian journalists did mention it among the most serious social problems, but all other groups placed it at the end of their list. As far as the problem was discussed, the interviewees brought up current issues like anti-Semitism:

Ivan (Russia, Journalists): *Also ethnic problems... anti-Semitism met in everyday life, aversion for individuals of certain nationalities - "Caucasian," "Oriental," "Middle Eastern..." In the newly built districts, where migrants from the former Soviet Republics tend to settle, in particular.* (Afanasyev 1998, 160).

In Estonia, ethnic problems were an often discussed topic but a problem for which no solution was required. It is also noteworthy that, when defining this problem, the interviewees referred to "all kinds of trouble" caused by the Russian-speaking population, but not once to the widely debated issue of the rights of ethnic groups in Estonia. Furthermore, unlike in Russia, the Estonian interviewees took a strong stand on the issue of Russian minorities in Estonia. Some of the interviewees tried to argue that it was only a fraction of the Russians that actually caused any harm.

Peeter (Estonia, Business people): *...here we have a small group of people, I can't call them Russians, but they are people who do not have a nationality. They do all kinds of things and their doings stick out like a sore thumb. At the same time, there are lots of civilised "culture-Russians;" some of the people I know could be very useful to Estonia.*

Unfortunately, they are not very visible, and many people are left with the impression that "the Russians" consist of only those who are noticed because of their negative behaviour.

However, the prevailing view in all groups was quite the opposite.

Tiit (Estonia, Business people): *I would like to add that I see a close connection between insecurity and ethnic problems, because it wouldn't be the first time my cellar has been emptied during the winter. It was a year ago, what happened was... they certainly knew who did it, but because he was one of those monolingual people... that is the reason it was downplayed, because if you are an Estonian, crimes committed by a Russian are downplayed by the Russians. That is how I figure it happened. Thus, in my opinion, ethnic problems are strongly present in Estonia.*

Other social problems that remained somewhat obscure throughout the group discussions were alcoholism and drug abuse. In Estonia, these issues were mentioned among the most serious social problems. However, they were not discussed very deeply in any of the groups. All in all, as becomes apparent in the next quotation, these problems can be categorised as *potential social problems*.

Katrin (Estonia, Business people): *I would put crime against person first and then I would mention the use of narcotics and drugs. It is probably not so widespread and natural, but the danger is starting to threaten us and I don't know how we can begin to fight the consequences... In this list, smoking is a seeming problem. You cannot compare that with crime.*

In addition to smoking, a number of other issues regarded as seeming problems or *non-existent social problems* were mentioned during the focus group sessions. Both in Russia and in Estonia, among these were prostitution, the inequality between men and women and domestic violence.

Every issue - whether regarded as problematic or not - would be worth a closer examination which would certainly help to understand the logic of defining all social

problems. Some of the issues regarded as minor or marginal by the interviewees will be debated at the end of the chapter but, due to limited space, I will concentrate mainly on the so called fully-fledged social problems, namely *crime against person, poverty, poor health of the population, housing problems, declining birth-rate and environmental pollution*. These were the problems that, according to the interviewees in Estonia and Russia, form the core of what I will call here "*the vicious circles of social problems*."

5.2 The vicious circles of social problems

Throughout the data, the most serious social problems, or the so called fully-fledged social problems, are all seen to be interrelated, in vicious circles. These vicious circles afflicting Estonia and Russia are described in the following quotations:

Kaie (Estonia, Business people): *I agree that poverty is the cause of other problems. And it causes crimes against property. The police cannot keep any kind of order with such low salaries. Of course, declining birth-rate that is also caused by poverty brings about anxiety. Thus, in the future, the situation is going to be extremely tense. But now the problems caused by privatisation are obviously topical, which also creates tension.*

Raivo (Estonia, Administrators): *It is difficult to discern poverty, homelessness and unemployment from each other. They are all related. In a similar vein, we can assume that if the health of the population is deteriorating, we have no hope for economic and social well-being. These are very tightly connected. If I had to bring out problems out of this list, then one would be criminality, the other poverty in a broader sense... so I would include many things into this.*

Ivan (Russia, Business people): *Housing conditions are the key issue. Everything else comes from that - living standards, for instance. It means that people have grown accustomed to certain housing conditions, to a certain way of life, and they simply go on living like that. They cannot break the vicious circle. Poor health, heavy drinking and poverty have a firm clutch on them. (Afanasyev 1998, 159).*

Crime

In both of the countries studied, the key problem in the vicious circle was crime. On the basis of the interviews, it seems that crime against person or property is the social problem that most visibly reflects the feelings of insecurity caused by the social costs of transition. Moreover, as shown by the following quotation, crime was seen as a problem that encroaches on every aspect of society.

Margus (Estonia, Journalists): *But we have not yet discussed crime against person. It has become a self-evident issue. However, it is one of the issues in front of us, a problem that, as such, threatens the whole society, families, places of residence and, in general, everything. It makes our whole lives unstable.*

As noted earlier, crime was similarly regarded as a self-evident issue in Russia - to the extent that the interviewees did not even bother to discuss it in detail. In Estonia, the crucial factor in discussions on this topic was that crime, as a social problem, was defined mainly on the basis of personal experience.

Veiko (Estonia, Journalists): *I, for one, can say that crime in the form of crime against person is, for me, a serious social problem in society, in places of residence and also on a personal level. I'm not sure if I would say this if I had not been burgled very recently, maybe it would not seem so topical for me.*

Rein (Estonia, Business people): *And, of course, in the third place - both in Estonia and in Lasnamäe, where I live - there is crime against property. Because, nowadays, Lasnamäe is one of the localities where burglaries are the most common. Practically every single house with something to take has been broken into.*

The influential groups' concern with crime is hardly surprising, considering the fact that, after the dissolution of the Soviet Union, crime has increased to the extent that, for example in Russia, it has been described as a "national disaster" (Ilynsky 1996, 220). Empirical evidence shows that crime rates have been in steady increase since the early

days of *perestroika*, when Gorbachev relaxed the reins of the society. According to official reports, crime rates escalated rapidly after 1988, particularly for violent crime. (Shelley 1991, 252, 255). The increase in crime rates was rapid also in 1990-1992. According to official statistics, in 1993 there were signs of stabilisation, and in 1994 the number of recorded crimes fell by 6 per cent in relation to the 1993 figures. At first glance, these figures suggest that the peak was over by 1994. However, as Tanya Frisby points out, in reality the crime rate was still increasing, because more people were involved in criminal activity, i.e. criminality increased. Moreover, many criminal offences could not be recorded as such: the old Soviet Criminal Code was rapidly becoming outdated and inadequate for new forms of crime. (Frisby 1998, 29).

As Richard Lotspeich (1995) argues, there were reasons to expect that the transition from a repressed social system and centrally planned economy to an open democracy and market economy would be accompanied by an increase in crime. According to him, there are a number of forces that promote crime during a transition: a weakness in law enforcement institutions, rapidly shifting economic regulations, a flourishing shadow economy, deteriorating economic and social conditions, the partial nature of many economic reforms, and shifts in social psychology, owing to the turbulent and far-reaching changes that have destabilised the existing pattern of social norms. As will be seen later, many of these factors were also mentioned by the influential groups when they were asked to indicate causes for social problems.

Up to the present, social changes have indeed been conducive to an increase in crime. For example in Russia, a considerable part of the population is still living below the poverty line; income differentials keep growing, and alcohol and drug abuse are still on

the increase. In addition, crime has become more violent, especially in the major cities where attacks and assaults, shoot-outs, kidnappings and murders have become common occurrences. Among the ordinary people, the influential groups included, all this creates general discontent, resulting in moral and general apathy. (Frisby 1998, 30, 31).

Moreover, awareness of the problem has increased during the transition, as crime has become one of the favourite topics in the media; a fact that was recognised also by the interviewees. In part, the popular perception of heightened levels of criminal activity has been formed through journalistic reports; in part, it has also stimulated them (Lotspeich 1995, 555). This is especially the case as concerns organised crime, the perceived dangerousness of which is mainly a construct of often superficial and sensation-seeking journalistic reports (Bäckman 1997, 50). Interestingly, however, the problem of organised crime, which has been widely discussed by social scientists (e.g. Bäckman 1999) and by the media, was rarely brought up by the influential groups. Neither was the problem of economic crimes emphasised in the interviews, even though the corruption of state officials has been endemic in Russian history and the transition has now facilitated it by providing ever greater opportunities (e.g. Frisby 1998, Lotspeich 1995). Together with the fact that especially the Estonian interviewees defined the crime problem mainly on the grounds of personal experience, this also suggests that crime, as a social problem, is seen more as a "private trouble" than as a "public issue."

In addition, as Frisby (1998) has pointed out, the frequent mass media reports of crime highlight the degree of danger which people experience in their everyday life. The public opinion polls conducted in Russia show that the fear of being attacked or robbed

stands above all other concerns, including poverty and unemployment (Ilynsky 1996, 220). Similar results have been published with regard to Estonia. Although the latest official statistics have reported a decrease in the number of serious offences (Eesti Statistika Aastaraamat 1999), concern for violence has not declined. On the contrary, according to surveys conducted in Estonia in 1993 and 1995, the fear of violence increased between these years despite the decrease in crime (Aromaa & Ahven 1995, 31).

All in all, the perceptions of the influential groups in Estonia and Russia, together with the other empirical evidence, support the commonly shared view that it is justifiable to see crime as a social problem *par excellence* in post-communist countries.

Poverty

Another key problem in the vicious circles of social problems was poverty. As with crime, when discussing poverty, the influential persons in Estonia and Russia referred only to the time of transition. On the whole, poverty was approached from slightly differing angles. The Russian influential persons linked poverty mainly with uneven privatisation.

Oleg (Russia, Business people): *The essence of privatisation is that property changes owners. It means that poverty, too, results from the fact that we failed to give anything to these people, pensioners, who had worked all their lives and had thought that the state was a kind of social security department, which, in fact, it was. And they got nothing. This is what we have met with during office hours. This is a privatisation where those who have something hold onto it. So most of those who were supported by the state budget have been left destitute, they were given nothing in the course of the privatisation.* (Afanasyev 1998, 162).

In Estonia, poverty was seen as a problem affecting all levels of society, including the working population who, despite their income, have difficulties in subsisting. As with crime, poverty, as a social problem, was often defined on the basis of personal experience.

Maarika (Estonia, Journalists): *In my family, as I probably mentioned already - poverty [is one of the most serious social problems]. I mean that we always need money. It is indeed dreadful that we all here have pretty good salaries. I'm fed up with always being short of money.*

Numerous studies have revealed the dramatic increase in poverty in transition societies. One of the essential things about the definitions of this social problem, both in the empirical studies and in the group discussions between influential persons in Russia and in Estonia, was the recognition of new poverty groups.

Families with many children, single-parent families, refugees, single pensioners and the sick were worst-off in the former Soviet Union already before the transition. Since 1992, however, other social groups have joined the ranks of the poor. These include the unemployed and people working reduced hours, as well as many public sector employees, whose wages have not kept pace with inflation and who are often paid only after lengthy delays (Morvant 1996, 56). The new proletariat consists mainly of ordinary people who are dependent on income from the public sector of the economy, in the form of either wages or income transfers, and who do not have any sources of additional income that would lift their households above the threshold of poverty (Piirainen 1997, 240). In fact, the "working poor," many of whom are employed in what, in the West, would generally be regarded as middle-class professions, form the

highest proportion of those living below the poverty line (Morvant 1996, 58)³. According to Standing (1998, 28-29), by the end of 1995 over one third of the employed in Russia had wages below the official subsistence level. In the focus group interviews, the existence of the so-called "working poor" was frequently verified by the Estonian influential persons.

Mihkel (Estonia, Business people): *I would classify poverty as... low standard of living, low salaries. A person who has a proper job but cannot get by on that salary.*

There have been differing views on pensioners as poor people. Many have argued that pensioners have not been among the worst losers in the transition. Others, among them Vladimir Mikhalev, have suggested that the majority of pensioners actually fall into the category affected by poverty, as their standard consumption pattern matches that of the poor: they spend 77 percent of their income on foodstuffs (Mikhalev 1996, 13). On the basis of the opinions of the Russian interviewees, the latter view would definitely seem to be closer to the truth.

Pyotr (Russia, Business people): *Then comes poverty. Poverty is also a problem specific to St. Petersburg, because we have a large number of pensioners, more than anywhere else. Besides, St. Petersburg has lots of subsidised institutions. And the single women with kids to support, who work in these "subsidised" institutions, are among those provided with insufficient means for living.* (Afanasyev 1998, 159).

³ Although the concept of "working poor" has recently been introduced as a new concept in post-communist countries, it should be noted that Soviet writers recognised the existence of the problem of "inadequate pay to meet family needs" as early as in the 1970s, even though they did not label it poverty. At the time, material insecurity was regarded to be dependent simply on the wage level of the working members of the family, the number of working members and the number of dependants, particularly children. (George & Manning 1980, 63).

The above quotation brings forward another generally acknowledged new phenomenon, namely the "feminisation" of poverty. Evidence from Central and Eastern Europe shows that women are suffering disproportionately from unemployment, and that cutbacks in medical expenditure affect particularly women and young children. In Russia, women outnumber men 2:1 among the unemployed and pensioners, and 94 per cent of single-parent households are headed by a woman. (Barr 1994, 81). The interviewees did not, however, recognise the feminisation of poverty as a social problem, apart from the above reference to the poverty trap of single women with children. As surprising as this result may seem, it is nevertheless consistent with the fact that inequality between men and women did not rank high as a social problem in either of the countries studied.

If poverty in Russia was discussed only with regard to certain specific groups, such as pensioners and single mothers, the Estonian interviewees discussed poverty more extensively. In Estonia, poverty was defined in relative terms, the prevailing opinion being that there was no absolute poverty in Estonia. However, the problems of the "working poor," low salaries and a low standard of living, were regarded as one of the most detrimental consequences of the transition, afflicting all social strata.

Maarika (Estonia, Journalists): ... not fatal poverty but inability to adjust to changes in life... it has not been brought up here but I think that that is the problem and that poverty is the result. The problem is that people don't know what to do with their lives. It's the same in my place of residence, all sorts of homeless people gather on my staircase and they sometimes really affect my state of mind.

In addition, the interviewees in Estonia paid attention to the wider social consequences of poverty, emphasising the problem of a widening gap between the rich and the poor.

Sepp (Estonia, Business people): *Then, I would say that it's not poverty that is the most important issue but the great difference between the rich and the poor, which contributes to poverty... because poverty, in absolute terms, does not exist.*

For many of the Estonian interviewees, the widening gap between the rich and the poor, with the relative poverty that it brought about, was connected with crime, and especially crime against property. In linking the two, the influential groups came very close to the so-called "socialist" or "left-realist" conceptualisation of crime. This theory-orientation starts from the assumption that social and political antagonism generates criminal deviance. The theory presupposes that the idea of relative deprivation is particularly easily applied to street crime, which mainly touches the poorer layers of population structure. The concept of relative deprivation suggests that, in street crimes or crimes against property, the main reason why perpetrators who mainly belong to the poorer social classes engage in criminal activity is not so much the absolute amount of poverty as the general perception of unjust inequalities in society. (Fatic 1997, 16).

Poor health of the population and environmental pollution

Poor health of the population was brought up as a serious social problem by both Estonian and Russian influential groups. It is not surprising that especially the Russian influential groups emphasised the seriousness of this problem. Statistics on the health status of Russians tell a sad story. For example in 1996, the number of deaths in Russia exceeded the number of births by 60 per cent. Maternal mortality is currently five to ten times higher than in Western Europe, infant mortality is two to four times higher, and the number of deaths from tuberculosis has risen by almost 90 per cent since 1991 (Twigg 1997, 56). Most strikingly, mortality rates for men aged 40 to 49 showed an 87

per cent rise between 1990 and 1994 (Standing 1998, 31). According to Standing, stress and associated adverse effects of economic upheaval have been the major factors contributing to the rise in mortality. However, when speaking about the poor health of the population, the influential groups placed greater emphasis on the role of deteriorating health care. From the point of view of the Estonian influential persons, "chaos" would be the right word to describe the state of health care in their country: for them, the problem is that "the public health care system is falling apart." The deterioration of the population's health was also seen as resulting, in part, from the careless attitude of the individuals towards their own health. In such cases, the reasons for deteriorating health were traced back to socialism, as in the following quotation:

Ivo (Estonia, Administrators): *If we observe a small child, we will notice a significant aspect in her behaviour: if she is holding something in her hand, she holds it very tight: "its mine." And that is what determines her whole world of ideas and emotions. And grown-up people are also like that: if they have something that is truly their own, they are willing to do a lot for it, and they value it. Our "health" was taken from us when we were owned by the state. The state declared that it was doing everything for the people, but in fact the health of the population deteriorated. In reality, health is something that belongs to the person and he/she must learn to value it and take care of it.*

All in all, the problem of poor health of the population was defined as a many-sided issue: in Estonia, the "psychological legacy of socialism" and the worsening quality of health care were seen as the determining factors behind this social problem, while the Russian influential groups saw the problem from a slightly different angle and linked it very closely to environmental pollution, which is increasingly obvious in their locality.

Pyotr (Russia, Business people): ... *Secondly, Leningrad is an unhealthy place, originally unhealthy. 100 per cent of the children born in Leningrad suffer from allergic diseases.* (Afanasyev 1998, 159).

Unlike with most other social problems, the absolute majority of the interviewees in all Russian focus groups highlighted the problem of environmental pollution as affecting them or their families. Furthermore, this frequently discussed topic was seen as a problem that had been widely neglected.

Semyon (Russia, Business people): *I don't think that ecological problems are given due heed, though they are indeed extremely topical, especially in our city, where there's so much industrial production and traffic.* (Afanasyev 1998, 160).

According to many reports which have evaluated the quality of health care in the former Soviet Union, the system was facing multiple problems long before the transition. Mark G. Field (1994, 180), who has reported on the flaws of the Soviet health care system, includes among them the unavailability of funds, the shortage of medical equipment and inequality in receiving treatment. Moreover, according to Likhanov, infant-mortality rates in the Soviet Union were an obvious sign of social injustice and neglect, cultural backwardness and poor health care (in Juviler 1991, 200). Despite this inheritance from the period of socialism, the influential groups in both Estonia and Russia regarded health problems as mainly the product of transition. Thus, according to their experience, the situation has truly worsened. In fact, even in transition countries where economic and political development has been rapid, its effect on the health of the population is slow. The decades of exposure to environmental pollution, poor quality food and poor health care cannot be erased quickly (Löytönen 1998, 151). Furthermore, as Field argues, social and economic conditions, the political situation, the everyday behaviour of the population and the environment are all very pertinent to health.

The health care situation can be described as alarming, and the same is true about the environmental situation. According to Field, the Russian Federation is beset by a series

of environmental problems resulting from the contamination of water, soil and air, including radioactive contamination. To give just a few examples: only 15 percent of city dwellers breathe air that meets acceptable standards; virtually all of Russia's major rivers, including the Volga, suffer from viral and bacterial contamination which is tens to hundreds of times greater than norms permissible elsewhere (Field 1994, 180, 183); and near St. Petersburg, Lake Ladoga, the largest lake in Europe, is dying from nitrate and phosphate poisoning (Sakwa 1993, 269). On the whole, the situation with respect to health is critical, if not catastrophic.

It is a vicious circle that we are dealing with here: again, the poor health of the population was linked with numerous other social problems. In Estonia, one example was the problem of poor housing conditions.

Krista (Estonia, Journalists): *Yes, the children who were born after the war and who have lived their whole lives in Nõmme or somewhere and who are threatened by eviction and cannot find a place... And then, let's say, their children have to live there with them and they cannot have grandchildren. And this is another thing that also affects health. I mean they are nervous wrecks there.*

Problems of housing

As with the problem of poor health of the population, problems of housing were somewhat differently constructed in Estonia and Russia. Poor housing conditions and a lack of reasonable and affordable dwellings were problems recognised by all influential groups. The main difference between the countries was that, in Estonia, the problems of housing were regarded as products of the privatisation process, whereas in Russia the interviewees saw their situation in the light of a long history reaching back to the time of Khrushchev.

Pyotr (Russia, Business people): *As you know, Romanov (First Secretary of the Leningrad Regional Committee of the CPSU in the 1970s), either of his own free will or not, embarked on the modernisation of the stock of machine tools in Leningrad's industrial enterprises. He stimulated a massive influx of unskilled workers (the so called "limitchiks") from the countryside to be "stuffed" in the vocational schools, which he had been setting up instead of secondary schools. Do you remember? Schools were closing down, while vocational schools were being set up. The "limitchiks" were placed ahead of indigenous Leningradians on the housing waiting lists (their housing was of low quality, though - built under Khrushchev, for instance), and it turned out that people placed in the city centre communal flats, where the kitchen and toilet facilities had to be shared with a number of tenants, had not settled in the new flats; the apartment houses built under Khrushchev are, to tell the truth, not fit to live in... And now we are facing this problem that dates back to the 1950s and 1960s. (Afanasyev 1998, 161).*

According to Afanasyev, the above quotation reveals a specific cause for the aggravation of social problems in St.Petersburg, namely a certain type of social policy pursued by municipal authorities under the Soviet regime, based on the large scale import of unskilled labour from other regions to Leningrad (Afanasyev 1998, 159, 161).

As the quotation reveals, these workers were placed at the top of the waiting lists for housing⁴.

However, the interviews conducted in the course of this study reveal that, in the opinion of the Russian influential groups, the situation did not improve with change of regime: on the contrary, it became even worse, due to a lack of centralised housing policy.

⁴ In Soviet housing policy, the Khrushchev period (1956-1964) was a time when housing construction exceeded planned levels for the first time in Soviet history. The number of new dwellings was increased substantially, so that in 1961-62 the number of new dwellings per thousand inhabitants was the highest in Europe. This was done in the name of industrialisation, and the determining factor in housing construction was thus the need to provide housing space where industries needed workers. The drive to expand the housing stock also meant that, in the end, Khrushchev sacrificed quality for quantity. Furthermore, in 1957 Khrushchev set up regional economic councils and decreed that local Soviets were to take over the existing enterprise-operated housing and utilities as well as certain local industries. The consequence of this policy was that, as described by Pyotr in the above quotation, the diminished central control made housing policy subject to local political manoeuvring. (Cf. George & Manning 1980, 20, 143-148, 155).

Anatoliy (Russia, Business people): *In the past, growth in the field of housing development was steady, mostly due to centralised capital investments provided by the government. And now, housing development is in no way financed by the Federal Government. New mechanisms for coping with this problem (subsidising, extension of credit) are being worked out in St. Petersburg right now. And things like housing construction cooperatives have simply disappeared. This has caused a slump in living standards, in fact pauperisation. Enormous stratification.* (Afanasyev 1998, 160).

All in all, the impression one gets on the basis of the Russian data is that the situation is simply hopeless, particularly in St. Petersburg⁵.

Pyotr (Russia, Business people): *Bad housing conditions, that's the major problem in St. Petersburg. There is no place in Russia where the housing problem is more acute. My experience as an MP has shown me that plenty of people, especially in the city centre, suffer from this ill. It is a terrible impediment entailing lots of other social problems.* (Afanasyev 1998, 159).

In Estonia, housing problems were discussed under the topic of "problems of privatisation." According to Jorunn Wold, in the transition to a market economy, it is often privatisation that causes the most problems and takes the most time (Wold 1997, 129). In Estonia, despite successful large-scale privatisation, severe problems have occurred in the sphere of housing. For a number of years, the government policy has aimed at privatising, by means of a voucher system, the apartments previously owned by municipalities. (Lagerspetz et al. 1998). In April 1993, a law was passed that entitled residents over the age of 18 to vouchers, in proportion to the number of years they had worked in Estonia, to be used towards the purchase of the apartments. The distribution of vouchers in relation to working years meant that immigrants received less than the

⁵ The seriousness of housing problems in St. Petersburg has been noted many times. For example, according to Galina Eremicheva, housing problems have always been the most pressing in St. Petersburg, as no state housing programme has ever been able to solve the problem of communal flats, worker's hostels and overcrowded little flats. In addition, the city administration has insufficient finances for building, and the prices in the real estate market are very high: all this causes serious psychological stress and despair. (Eremicheva 1996, 156-157).

typical native Estonian. (Mygind 1997, 43). However, most of the native Estonians have also faced severe difficulties in the privatisation process which is only advantageous to those living in centrally located apartments or in apartments in good condition. A decision has also been made to return buildings nationalised in 1940 by the Soviet authorities to their previous owners (or their heirs.) Consequently, the inhabitants of these buildings cannot participate in the privatisation process. (Lagerspetz et al. 1998).

In the opinion of the Estonian interviewees, housing privatisation has caused a great number of problems, among them the fear of suddenly losing an apartment because of a new landlord or "unwanted" new neighbours.

Maarika (Estonia, Journalists): *In addition, problems relating to privatisation are problematic in the whole country, and in my place of residence. I have privatised my flat now and, most likely, so have some of the other people living in my house. It is an open question what will come out of it in the future. I cannot imagine the kind of cooperatives that the chaotic group there will form.*

Moreover, problems of privatisation and housing were connected with poverty and the fear of homelessness which threatens especially the younger generation.

Veiko (Estonia, Journalists): *I'm one of the youngest here, and in my generation there are plenty of people who simply do not have an apartment or a realistic possibility of obtaining one in the present situation and with their present income. That is a problem.*

Krista (Estonia, Journalists): *I would connect poverty with housing conditions because, if you could pay 100-200 thousand immediately when buying an apartment, then there would not be a problem in the first place. But not even with the help of a big family can you collect such sums of money.*

In fact, it is a well-known phenomenon in transition countries that households in economic difficulties quickly find it hard to pay for housing. Under the Soviet regime, high subsidies kept the cost of housing low. However, soon after the break-up of the

Soviet Union the subsidies were reduced, and housing costs increased quickly. To ease the problems of housing, new benefits have been introduced in Estonia. For example, according to the system of housing allowances introduced in 1992, if housing costs exceed 30 per cent of the household's income, the household is entitled to an allowance. According to official statistics, close to 20 per cent of all families were receiving this benefit in 1994. (Einasto 1997, 52, 59). However, on the basis of the interviews, one can only conclude that this has hardly been enough to ease the severe problems of housing in Estonia.

Declining birth-rate in Estonia

Unlike most other social problems discussed among the influential groups in Estonia and Russia, declining birth-rate is a problem with an "official" history, reaching back to the 1970s and the Soviet Union. In 1975, after a census had revealed a decline in fertility, Brezhnev called for an "effective demography policy." According to Gail M. Lapidus, many specialists were sceptical about whether such an effort was needed; their reservations were, however, drowned by the arguments of a vocal group of demographers, economists and sociologists who had long urged the adoption of pro-natalist measures to mitigate the effects of declining fertility in the European areas of the USSR. Nevertheless, the debate over the causes of and remedies for declining fertility became a national pastime and, eventually, resulted in actions to stop the population decrease in 1981, when the Twenty-sixth Party Congress introduced partially paid maternity leave and a new system of child allowances. (Lapidus 1983, 218, 210, 220).

These measures brought the debate to a close, and it was never revived in Russia after the break-up of the Soviet Union. In Estonia, however, the issue of declining birth-rate has become one of the most debated problems. In 1995, my Estonian colleagues who participated in the Baltica study suggested that, for Estonia, this problem should be added to the list of social problems to be used in the interviews as a stimulus for discussion. And indeed, as the results now show, the influential groups also considered the declining birth-rate to be a social problem, and one that directly reflects the feelings of insecurity in Estonia. The following quotation from the interview with journalists from "Maaleht" summarises well the arguments used in defining the declining birth-rate as one of the most serious social problems in present-day Estonia:

Priit (Estonia, Journalists): *It is going to be a problem if natality keeps declining.*

Mai: *Economy has to be stable and you would have to feel safe and...*

Madis: *Everything should be privatised.*

Priit: *Again, we come to privatisation and then comes this declining birth-rate.*

Madis: *If we have to wait much longer for the first stages to be implemented, then soon we won't have anyone to pay our pensions.*

Priit: *Then, the nation would be extinct.*

Krista: *But I think that... well, we have discussed poverty and housing problems of the young... I mean the fear of becoming homeless, that is the most important thing at present, the fear. If young people don't have the money to buy an apartment, how will they find dwellings so they can live somewhere together? However, if a person has had some kind of a permanent home thus far, then he/she will, of course, survive, and will not be terrified of having children. Then, the circumstances are not frightening.*

Madis: *Well, in my opinion... of all the dreadful things, I would first bring out the declining birth-rate. It really is an urgent matter. We can continue to live with everything else, but diminishing natality affects our ability to solve future problems more than anything else.*

As the quotation shows, the problem of the declining birth-rate was closely connected with economic and social instability and insecurity, the problems of privatisation and housing problems. Furthermore, according to the influential groups, what makes this problem so urgent is its importance to the continuity of the newly born Estonian nation. It was regarded as a nationalist issue. From this point of view, the fact that all the

interviewees were native Estonians can, at least partly, explain why this problem was brought up so frequently in the discussions.

The interviewees' concern about the low birth-rate receives support from official statistics. According to the Statistical Yearbook of Estonia, the population grew by an average 0.8 per cent a year during the 1980s but has, since 1991, fallen by 6 per cent. A comparison between different nationalities shows that the decline in birth-rate has been proportionately much steeper among native Estonians than among the Russians living in Estonia. (Eesti Statistika Aastaraamat 1999). The interviewees did not bring up the higher natality among the Russian-speaking population but, in some cases, concern about it can be read between the lines: the issue was discussed in highly nationalist tones.

Regional differences

With regard to Estonia, one essential factor in defining social problems was the notion of regional differences that, according to the interviewees, exist in their country. In the opinion of all the influential groups, the vicious circles of social problems are worse outside Tallinn. Particularly poverty and unemployment were regarded as problems typically afflicting rural areas.

Andra (Estonia, Business people): *As concerns the most serious social problems in my home town - I'm from Southern Estonia - I would suggest the following order of priority. In South Estonia - lets say the provinces of Põlva, Võru, Valga, and also Tartu - we have the biggest bottlenecks in the labour market. In other words, unemployment is now a very important problem, and it causes other problems as well, for example poverty, and that leads to notable growth in the number of crimes against property.*

Siim (Estonia, Journalists): ... *I would say that there is more poverty and unemployment in the countryside than in Õismäe. There may be more prostitution in the city than in the rural areas. Bad living conditions - those we have equally in all areas.*

The remarkable differences between the urban and rural areas in Estonia have been brought up in other studies as well. According to Unwin, for example, the consequences of the rapid transformation of the economy has been felt most strongly in the rural agrarian sector. The agricultural sector has been hard hit as a result of the slowness with which agrarian reform has proceeded, and also because of the competition it has faced as a result of tariff barriers and the farming subsidies enjoyed by its European competitors. Until very recently, Estonia's post-independence governments have consistently refused to support the agrarian sector with subsidies, arguing that it would be inconsistent with their policy of maximising competition and minimising state interference in the economy. (Unwin 1998, 293).

Although the difference between urban and rural areas is particularly big in Estonia, at least compared to Western societies (Einasto 1997), somewhat similar results have been reported in other Baltic countries and in Poland, whose influential groups have spoken of regional differences in education, in poverty and especially in unemployment (Hanhinen 1998). In fact, regional disparities have been a prominent feature of unemployment in all of the transforming economies. A regional look at Estonia reveals that Tallinn has the lowest rate of unemployment in the country (The Economist Intelligence Unit 1996). The perceptions of the influential groups interviewed in this study correspond to official statistics, which show that there is a notable difference in unemployment figures between Tallinn and other parts of Estonia. The rural-urban polarisation has remained sharp after the interviews. Employment statistics show clearly

the decline in agriculture and industry and the enormous increase in jobs in the service sector (Blom et al. 1999, 9).

Contrary to expectations, Russia has not experienced massive unemployment, and her unemployment figures are, in fact, among the lowest in all transition economies. David Kotz has stated that Russian enterprises, despite the fact that many of them have been privatised, have not behaved like traditional capitalist businesses. Even though the demand for their products has collapsed, enterprise directors have laid off few workers (Kotz 1997, 180-181). Nevertheless, also in Russia, unemployment has become noticeable in some regions, rising up to 7-11 per cent. Like in the other transition countries, the hardest hit areas are in regions with surplus manpower, cities and towns hosting defence enterprises, and cities where one or two enterprises employ nearly all of the population in the area. (Panov 1995, 176).

Unlike their Estonian counterparts, the Russian interviewees did not bring out the problems in rural areas or the problem of unemployment. Throughout the study, their point of view remained very local; they concentrated on the problems manifest in St. Petersburg. The interviewees in St. Petersburg differed from the interviewees in other countries in that, in many cases (e.g. as concerns housing problems, poverty and environmental problems,) they were of the opinion that the situation was worse in their city than in other parts of the country.

The size of the Russian Federation, a country almost twice the size of the USA, makes it understandable that the interviewees' experience or horizons did not cover the whole country. It is naturally much easier for Estonians to comprehend their society as a

whole, considering that even the population of St.Petersburg is roughly four times the population of Estonia. Moreover, some of the Estonian interviewees were themselves living outside Tallinn, which, of course, gave them a different personal perspective on the problems of rural areas. On the basis of this data, personal experience would seem to play an important role in the defining of social problems.

5.3 Causes of social problems

Following the basic ideas of social constructionism, one important aspect in the process of defining social problems is that the claims-makers identify various kinds of causes for the problems. Considering the results presented above, the important question to be asked here is "what causes the vicious circles of social problems that so profoundly affect the lives of Estonians and Russians and, in most cases, the lives of the interviewees themselves?" The causes suggested for the specific social problems discussed in the interviews are summarised in Table 5.3. However, as the interviewees so frequently emphasised, all of the most serious social problems are interlinked. It is thus justifiable to generalise that the causes suggested for individual social problems usually lead to the vicious circles.

Table 5.3. Causes for the vicious circles of social problems.

Causes	ESTONIA	RUSSIA
	Problems	
Economic and political costs of the transition	Crime Poor health of the population	Ethnic problems
Misguided social policy during the transition	Poor health of the population Declining birth-rate Housing problems	Poverty Environmental pollution Housing problems
Legacy of socialism in practical terms	Housing problems	
Psychological legacy of socialism	Poor health of the population Poverty	
Feelings of insecurity	Crime Ethnic problems Declining birth-rate	

Regardless of its simplicity, Table 5.3 indicates some crucial aspects of the situation. Firstly, it brings forward the fact that social problems take many forms and have various causes. Poor health of the population in Estonia, for example, is found in nearly all categories; in the group discussions, this particular problem was considered to be caused by the state's lack of resources, poor management of health care and the careless attitudes of individuals towards their own health.

Secondly, the table indicates that, although many social problems were recognised and acknowledged in the Soviet Union, at least in the period of *perestroika*, it is the opinion of the influential groups in Estonia and Russia that the most serious of current social problems are almost solely products of the transition. One of the few references to the communist period in the data came from the Russian interviewees, who emphasised the

socio-economic policy of the municipal authorities during socialism, as well as the poor condition of houses built during the 1950s and the 1960s. However, even they remarked that housing conditions had deteriorated further after the Soviet era. This was seen to be due to the demolishing of centralised housing policy, for which no substitute had yet emerged at the local level.

In general, in Russia as well as Estonia, *misguided social policy during the transition* was regarded as a common cause for the vicious circles of social problems. In Russia, the inability of the administration to adapt to changing conditions and the unsuccessful politics of the government were among the most "popular" causes of social problems⁶. In St.Petersburg, the misguided economic and social policies of the government were considered from a local point of view: the city administration was accused of bad policy decisions and of having neglected to consider social issues in its privatisation program⁷.

Sergey (Russia, Business people): *The city administration, the structures shouldering the responsibility, had a very vague idea about the state of the different strata of the society; they were desperate for a clear-cut system of priorities. And, consequently, they failed to make plans for each year, to outline consistent social measures for healing the "sore spots" inherited from the past.* (Afanasyev 1998, 161).

Housing problems, resulting from failed housing policy, are listed in the category of problems caused by *misguided social policy* in both Estonia and Russia. In Russia, this category also includes poverty, resulting from unjust privatisation and touching

⁶ Similar results have been reported by Simpura and Eremicheva (1997b). According to their survey that was based on 100 thematic interviews conducted in the mid-1990s, there was deep distrust of political actors and local administration in St.Petersburg. This distrust was not defined as a social problem as such, but it figured as an underlying result of various issues.

⁷ According to Afanasyev, the focus-group members' criticism was mostly targeted against the policy that had been pursued by the city administration headed by Anatoliy Sobchak, elected in the first city-wide popular election in 1991 (Afanasyev 1998, 161).

especially the elderly. Estonian social policy, both the government's and the city administrations', was regarded as having failed in environmental issues, health care and population policy.

Anneli (Estonia, Business people): *I would like to add one thing... the child allowance paid to parents, it should be bigger... for children under three years old. They cannot manage with the money they get. And if you are a sole supporter and there is no one to help you...*

Urmas: *We really need action to reproduce the society.*

Anneli: *That is the reason for the declining natality. And where is Estonia going if this continues?*

Unlike the previous category, problems resulting from the *economic and political costs of the transition* were often seen as inevitable. As concerns Russia, "ethnic problems" belong in this category, for they were seen as a result of migration from former Soviet republics. In Estonia, the state's inability to combat crime and finance health care was explained by the lack of resources. The poorly functioning legal system in Estonia was also mentioned as a cause for the increasing crime rate.

The transition and its costs were the most prevalent causes of social problems in this study, although, in some cases, the same social problems could be traced back to the era of socialism. The original causes, here dealt with under the umbrella term of *the legacy of socialism*, can be divided into two groups: *socialist legacy in practical terms* and the *psychological legacy of socialism*. Causes belonging to the former group can be identified on the basis of the Russian data. The most illustrative example of this type of cause is Khrushchev's housing policy, which still contributes to the poor housing situation in Russia. According to some interviewees, the vicious circles had all originated during the earlier totalitarian rule. As one of the interviewees put it, "*the*

entire 77-year history of socialism is behind the aggravation of these problems.”
(Afanasyev 1998, 160).

In Estonia, the legacy of socialism was highlighted by all groups for most of the social problems under discussion. Unlike in Russia, however, the socialist legacy was expressed in psychological rather than practical or concrete terms. The *psychological legacy of socialism* refers here to a consciousness which was formed in the Soviet era and which now, according to the interviewees, has left people unprepared for major changes in their lives and unfit to adjust to new types of market relations ”overnight.” This ”socialist consciousness” of the people was linked with a disregard for their own health, and it was thus seen as a cause for the deterioration in the overall health of the population. In addition, it was seen as a cause of poverty originating in the people’s inability to adjust to a changing life.

Ivo (Estonia, Administrators): *What our present-day society lacks is initiative: people just wait, many of them still do, for someone to come from somewhere and bring them something. Their own activeness has been suffocated, not stimulated.*

Sepp (Estonia, Administrators): *People must be taught to live in the new structure. What happened was that the structure changed and people were thrown into it with a lets-see-how-you-get-on-now attitude.*

Finally, *feelings of insecurity* were mentioned by the Estonian interviewees as a cause for social problems, for instance in connection with the declining birth-rate; at times, it was considered to be caused by the insecure economic situation. Furthermore, the interviewees recognised that insecurity could be related to the psychological legacy of socialism and the lack of new norms. In this respect, social insecurity causes ethnic problems and, most importantly, crime.

Peeter (Estonia, Business people): *We lack a sense of security. You get the impression that nothing is done to the matter, that we talk about the problem, but there are no concrete changes in the foreseeable future. I guess we let it go too far. And that, of course, brings corruption with it... Presumably organised crime goes all the way to the top of the pyramid... I wonder why it is that we cannot simply cut the tumour. Naturally, if the tumour gets to the operator's brain, then the operation might hurt. Maybe organised crime has not received enough attention, and now the individual criminals also feel that they are relatively safe from punishment.*

All in all, misguided social policies and the inability of the state or city administration to tackle social problems seem to be regarded as the most detrimental factors behind the vicious circles of social problems. The question now arises, whether it is the opinion of the influential groups that the state should still be responsible for preventing and treating social problems.

5.4 Bearing the burden - to whom should the responsibility for treating social problems be assigned?

While social policy in established capitalist democracies consists mainly of less than dramatic marginal adjustments to ongoing demographic, economic, budgetary, medical and institutional development, social policy in the post-communist countries takes a much more dramatic form, since the transition has increased both the level and urgency of the problems of social security and redistribution (Offe 1996b, 230). In this context of expansive structural changes and cuts in total social expenditure and dramatic changes in the prevalence of many social problems, the essential question is: what kind of solutions are now being sought for the prevention and treatment of various social problems? As Offe has pointed out, the crucial question should not simply be formulated as "what is to be done" but also as "is there anyone capable of doing it?"

As concerns the influential groups' perceptions of the most expedient social policy for their country, I will focus on examining the roles of the state, civil society and market conditions in carrying the burden of social problems. In group discussions, the question of responsibility was first approached by asking the influential persons to indicate the bodies that should be responsible for treating particular social problems. The results from the Estonian data are summarised in Table 5.4.

Table 5.4. Responsibility for taking care of social problems: State (S), Individuals (I). Summary of the perceptions of the influential groups in Estonia.

	Journalists		Business people		Administrators
	Eesti Ekspress	Maaleht	Eesti Energi	Private enterprises	Ministry of Social Affairs
Care of children		I	I	S	I, S
Crime against person					S
Declining birth-rate			S		S
Drunkenness and alcoholism					I
Environmental pollution		S	S		S
Homelessness and poor housing conditions					S
Poor health of the population	I	I	I	I	I
Poverty				S	
Problems of the disabled	S			S	
Problems of education				I	I, S
Problems of the elderly	I, S	I	S	S	
Prostitution					I
Unemployment		S			

Note: Table 5.4 shows the social problems that, in the opinion of the interviewees, should be the state's responsibility. It also shows which social problems the individuals are expected to be able to handle by themselves. Civil society as a responsible body is excluded, as the only responsibility assigned to it was helping people with drinking problems.

As discussed in Chapter 4, in comparing elite groups one might expect those most dependent on the state sector, for example the leaders in administration, to be the most sympathetic to state responsibilities in the social sector. Correspondingly, it could be assumed that those representing other sectors of the economy would give more emphasis to individual-based solutions. However, as Table 5.4 indicates, there were no notable differences between the different groups in this study with regard to how responsibility for treating different social problems was divided between the state and individuals. On the contrary, in Estonia nearly all groups agreed on two things. Firstly, they saw poor health as a social problem that should be solely the individuals' own responsibility:

Sepp (Estonia, Business people): *Health is an issue that should only concern the individual, everyone should take care of their own health. Like a person who drinks and drinks and smokes... and then it is the state that has to take responsibility.*

Secondly, environmental pollution, although not mentioned among the most serious social problems, was brought up in this context as an example of a social problem which requires a solution at the level of society. The need for a state-based solution for environmental pollution can be explained by the idea that environmental problems are a typical example of new global risks that are beyond the control of individuals or even governments (cf. Beck 1992).

Other issues that were considered to be mainly the responsibility of the individual were the care of children and problems of education. Declining birth-rate and taking care of the elderly and the disabled were at the other extreme, considered to be mainly the responsibility of the state. The state's assistance was regarded as particularly essential in the problem of the declining birth-rate.

Sepp (Estonia, Business people): *And if we look forward now, then it is the declining birth-rate that concerns us. We should have laws that would give practical support to Estonian society.*

On a more abstract level, all the groups emphasised that it is the state's responsibility to create favourable economic conditions. Within the framework of these conditions, it is then the individuals' responsibility to find solutions that suit them. The following quotation clarifies the idea:

Katrin (Estonia, Journalists): *It should be the state's responsibility to create places for studying, for working, so that the people would have places to go to. Then they could feel that they have a reason to exist in society. If that disappears, then we'll have all those problems starting as personal problems and leading to homelessness and declining natality. The state should thus create opportunities for the individuals to find fulfilment, and everyone should be responsible for finding suitable solutions for themselves.*

All in all, the groups shared the view that, in general, individuals are responsible for themselves and their fellow men; the state should only provide help for those who lack a social network.

Tiit (Estonia, Journalists): *Every family should be able to support their own children - orphans are, of course, a different matter... don't you think so? And then we have the elderly, and things like that... maybe the state should take care of those who do not have relatives, and other extreme cases.*

The above quotation reflects the fact that, at this point in the discussion, argumentation was consistent with neoliberal ideas of social policy: the state should provide only a minimum amount of protection, and only for those who cannot possibly survive without, such as the disabled. In Russia, argumentation of this kind was strongly present when the interviewees were discussing alcohol problems. As in Estonia, alcohol problems were the only social problems that were regarded to be the responsibility of

the institutions of civil society (e.g. family, church, social movements.) Another similarity between the countries was that there were, again, no notable differences between the different occupational groups. On the whole, however, it seems that the Russian interviewees put more emphasis on the state's responsibilities, as most of the focus group participants were of the opinion that social security, in general, was in the state's domain. In addition, Russian influential groups emphasised that the state should combat crime and environmental pollution (Afanasyev 1998, 173).

The question of who should be responsible for preventing and treating social problems was examined more extensively in discussions on possible future models of social policy. The discussion on social policy was stimulated by presenting the interviewees with the following imaginary scenarios of social policy:

The scenario of welfare state social policy:

In this scenario, citizens can rely on the public sphere, the state and the districts, to take care of the most important tasks of social policy. This is financed with taxes and other payments. The state takes direct responsibility for the care of children, the aged, and the helpless. The unemployed are helped in the best possible ways by means of educational and social policy. Contributions to the retirement funds are reduced by raising the retirement age and lowering the level of retirement security. Pensioners' income is financed by taxation of wage earners and employers.

The scenario of neoliberal social policy:

In this scenario, the public sector has been diminished, and it no longer carries any responsibility for social security. Instead, it creates the prerequisites for voluntary work and general solidarity. The citizens hold more and more responsibility, and many people begin to put aside money as extra insurance, to be on the safe side. New private companies are established for investing these funds, and private retirement savings become a new form of investments for private citizens. The responsibility for taking care of social problems is given to the civil society, to family members, relatives, friends and civil organisations.

First of all, it should be noted that, although these scenarios were originally designed so that they would be equally understandable in Estonia, Russia and Finland, they were interpreted differently in different countries. In Estonia and Finland, the first model was

taken as a variant of the social democratic model of social policy applied in the Nordic countries. The second scenario was regarded as a model of liberal social policy which can be found, in its extreme form, in North-America. In Russia, however, the focus groups treated the models as ideologies that were impracticable in their pure form. In this respect, the following opinion, voiced by one of the interviewees, can be considered typical:

Pyotr (Russia, Business people): *I'd call the first model "mythological socialism" – it's socialism in its pure form, it had to be ideologically trimmed up to be introduced into the world, though in fact that's not what happened. The second model I'd call "distorted capitalism," as the true capitalist model is something quite different. The role of the state is by no means small in any of the capitalist countries, it is vast (pensions, education). These models are ideological images more than anything.* (Afanasyev 1998, 172).

Nevertheless, the influential persons in Estonia and Russia took a clear stand on these scenarios and their basic principles as concerns the roles of the state, the market and civil society. Table 5.5 (below) summarises how the scenarios were evaluated by the interviewees⁸.

⁸ Again, there were no notable differences between the groups. Detailed data from Estonia showed that especially the groups of business people considered the model of neoliberal social policy to be the more likely to be introduced in the future, but supporters of the welfare state model could be found in all the groups studied. (See Appendix 5.1, Table 2).

Table 5.5. Summary of the perceptions of the influential groups on different models of social policy and the role of civil society.

	Welfare state model	Model of neoliberal social policy	Role of civil society
Estonia	Personally favoured by most of the interviewees. Most likely in the near future.	Will be gradually implemented.	Minimal at present. Will hopefully improve in the future.
Russia	Most likely in the foreseeable future.	Should be gradually introduced.	-

Table 5.5 is, of course, a simplification, and it does not include a "third option" - a model that would be in between the two opposite scenarios or totally independent of them. In the group discussions, the interviewees concentrated on the presented welfare models, even though, as Tadeusz Kowalik has pointed out, the contemporary Western economies represent a remarkable juxtaposition of "third" ways, with their own combinations of public and private organisations, markets and administrative regulations (Kowalik 1994, 187). In those rare situations when a "third" option was sought, the influential persons did not break free of the scenarios but rather tried to find a compromise "in between" them.

State-guided welfare model versus neoliberal social policy

As regards the preferred model of social policy, the influential groups in Estonia and Russia held very differing views. Unlike in Russia, in Estonia the majority of the influential persons personally favoured the welfare state model but predicted that the social policy practised in their country would slowly move towards the second, more

liberal scenario. In Russia, however, the interviewees did not predict the emergence of a social policy based on more liberal ideas of the state's role in the foreseeable future.

The following quotation from the group interview of Estonian journalists reveals the main arguments presented for and against the two social policy scenarios.

Katrin (Estonia, Journalists): ... *I would choose the second scenario [the neoliberal model] and I would recommend it for Estonia, although it is more severe. At present, the Estonians are not independent enough for us to actually exercise liberal social policy. What Estonia needs is a model in between..., which would, eventually, lead to expanding the private sector.*

Maarika: ... *The welfare state makes people half-hearted and causes possible misuse of the system, which is the case in Finland, for example. In such a society, it is good to be handicapped, ill or old, but if you are young and healthy then the system "peels three of your skins," we cannot support that.*

Siim: *Unlike the previous speakers, I support the welfare scenario. Nowadays Estonia is going in two directions, but soon a society that wants to join the Nordic countries... We will have a similar social policy system, but it will take time.*

Veiko: *Personally, I would prefer the second scenario [the neoliberal model]. Imagining it in the Estonian context, however, makes it feel unrealistic. We cannot go into that in a short period, it requires changes in people's attitudes. But going directly into it would be a complete catastrophe. First we will adopt the first [welfare state scenario] and then we can go into the second one.*

Maarika: *I would like to add that what we lack is citizenship. People don't want anything. Citizens' initiatives are terribly minimal. People don't want their rights, they don't know their rights, and they don't want to take responsibility for anything. If there is no citizenship, how can we practise liberal social policy, although I must say that I support it.*

The arguments used in the discussions are, in part, comparable to neoliberal criticism towards welfare state structures. This is the case when the state-guided welfare model, like the one in Finland, is regarded as too paternalistic and expensive, or when the quality of private welfare services is seen to be better, compared with that of public services, an argument favoured by supporters of the neoliberal social policy. Furthermore, in Estonia the neoliberal model was supported because it was regarded to be better suited to the mentality of Estonians: *"the Estonians usually want to stand on their own, they want to organise their lives themselves,"* as one of the interviewees put it.

The influential groups of Russia, although in favour of the neoliberal model of social policy, did not give any reasons for their arguments.

It has been argued that virtually everything that starts with the word "social" - not just "socialism" but also "social democracy" or "social policy" - tends to be discredited by post-communist political elites (Offe 1996b, 240). This statement cannot be generalised on the basis of this data because the welfare state model, whether personally favoured or not, was the only choice the influential persons could see for their countries, either at present or in the near future. Reasons for this can be found in the socialist legacy and in the simple fact that the people are so accustomed to the state taking care of their well-being that, considering the social hardships they now face, they would not survive without it; after all, as one of the Russian interviewees put it, *"in the past, the state was a kind of social security department."* In Estonia, as pointed out in another quotation, one part of the socialist legacy is "the lack of citizenship," which indicates that the social rights of the citizens have not yet been fully established. Moreover, in arguing for a strong state, the Russians referred to their history, far back when the state always played an important role.

Oleg (Russia, Business people): *I guess the model where social policy is implemented by the state is more typical of Russia, due to the characteristics of the country's historical evolution. Let us recall serfdom: the landlord is the father, while the peasant doesn't have to bother with too much thinking – working for the landlord, he serves Russia, etc. In other words, the centralised state has always played an important role in our history. And these patriarchal foundations – the family, care for the young and the old, the rule of the community – will, apparently, remain.* (Afanasyev 1998, 172).

Deacon (1993), among many others, has predicted that the post-communist countries will experience an incursion of market relations directly into the welfare sphere. The marketisation of labour and the privatisation of production have jointly created the need for specialised complementary social policy agencies and institutions capable of both

absorbing the increased risk associated with the new conditions and of substituting for the former integrated way of performing social security and service functions. However, as Offe points out, such new institutions have to operate in an environment that is simultaneously characterised by a sharply rising demand for transfers and an equally sharply decreasing supply of fiscal resources (Offe 1996b, 226). Furthermore, as the interviewees in both countries also stressed, there is a lack of specific established legal and institutional routines that would be required in order to make the private insurance companies reliable. Thus, another cause for the necessity of interference by the state was the lack of any other reliable bodies.

Raivo (Estonia, Administrators): *Considering the instability of the Estonian state, I'm not convinced that I could give funds to some retirement foundation and then be able to use them in the future. It might mean receiving an apology that a bank or an insurance company has gone bankrupt.*

The lack of alternatives becomes even clearer considering that, especially in Russia, there has been some disbelief in state-guided universal welfare-building. The origins of this distrust differ from those in the Western countries. The criticism stemmed rather from the state's inability to collect taxes and redistribute them in an efficient and equal way than from any strong belief in market forces and individual freedom. As Christopher G. A. Bryant and Edmund Mokrzycki correctly point out, the difficulty (especially as far as Russia is concerned) involves a legacy of both popular distrust of the state and popular dependence on it (Bryant & Mokrzycki 1994, 9).

In Estonia, the welfare state scenario was favoured more on ideological grounds and, in this respect, the Nordic countries were seen as an example. A similar result has been reported by Steen, according to whom the majority of Baltic elites see Scandinavia and Germany as desirable economic and political models. Steen suggests that the reasons

why Scandinavian countries score so high are their geographical location, stable democracies and successful regimes that provide welfare for their population. (Steen 1997, 312).

Following the argumentation of the supporters of Nordic welfare state, every society has people (children, the elderly, the handicapped) who have to be helped by the society. In addition, the state should provide a safety-net for people who, for reasons beyond their control, lose their ability to earn a living. After all, as one of the interviewees summarised it, "*something could happen, to any one of us.*"

The role of civil society

In extraordinary situations, social solidarity usually strengthens. Mervyn Matthews (1991) and Gail W. Lapidus (1991), for example, have predicted a rebirth of charity that, with financial help from the state, could be a step towards providing real help for those in greatest need. However, it is a more common view that Central and Eastern Europe in general suffer a handicap in this respect.

There are grounds for arguing that the transition societies are not yet fully constituted civil societies. Furthermore, as Aleksandar Fatic has put it, the newly discovered civil relationships, to the extent that they have appeared over the past several years, are still largely incapable of dealing with concrete and serious social problems. (Fatic 1997, 154). This view was shared by the influential groups in Estonia and Russia, and a lack of civil society as the responsible body for people's welfare was conspicuous throughout the data.

Echoing Fatic's idea, the influential groups in Estonia emphasised the "lack of citizenship," in the sense that people are not ready to take initiative or responsibility for themselves, as a reason for the stumbling development of civil society. They also argued that, as long as this state of affairs prevails, neoliberal social policy will not be possible. They also commonly remarked on the absence of a new middle class, without which there is no civil society⁹.

Ivo (Estonia, Administrators): *If, in the future, we live in a society which has a very small fraction of rich people... and the rest are all poor, then the society cannot develop further. It needs a core; a wealthy middle class, which we don't have. Now the middle class barely subsists.*

In fact, the role of the new middle class is often emphasised in the development of functional civil society. It is assumed that it could make the existence of a civil society possible by stabilising the insecure political situation to the degree that normal social development would become probable. According to Taimi Tulva (1994), the stabilisation of social classes and strata has not yet occurred in Estonia. Thus far, Estonia has resembled an European industrial society in its early stage, when the share of middle class is only 15-20 per cent. Another estimate, made by Raimo Blom, Harri Melin and Jouko Nikula, indicates that, in Estonia, the share of working class is as high as 58 per cent, while entrepreneurs make up less than 10 per cent of the gainfully employed population (Blom et al. 1999, 13). In addition to the lack of a new middle class, another explanation for the stumbling development of civil society and "new civil relationships" can be sought in the changing role of social networks.

⁹ Altogether, these views indicate that in Estonia, which is in the process of building a new welfare system, civil society is seen as a substitute for strong state, as in the USA, rather than as the state's ally, as it has been in the Scandinavia.

As is well known, under the socialist regime the webs of personal relations formed an integral part of people's everyday lives. To some extent, such a private network could compensate its members for the insecurity and bureaucratic barriers they had to cope with (Lagerspetz 1996, 44). Furthermore, the different social networks had a considerable role in solving problems of daily life, such as how to purchase goods or to find work or a flat (Jyrkinen-Pakkasvirta & Poretzkina 1994, 2). Now, however, the crucial question concerning social relations in the transition countries is: what consequences will the transition have, in the long run, for solidarity among groups and within social networks? Knud Knudsen, for one, suggests that there are two main options: one is that the period of hardship will energise national identity and institutions, the other being that the process of transition will lead to a more individualistic society and thus weaken social ties among persons and groups (Knudsen 1996, 110).

As regards post-communist Estonia, the results of this study suggest that both tendencies are present. On the one hand, the interviewees emphasised the importance of guaranteeing the existence of the Estonian nation as a whole, and their hopes of building welfare structures presuppose the strengthening of national institutions. On the other hand, there were references to a shift towards a more individual oriented society. This was the case when individual-based solutions were offered. In addition, the interviewees recognised a tendency towards weakening social networks.

Margus (Estonia, Journalists): *After all, it is about greater estrangement and isolation... before, we all used to be pretty much on the same level, but now it seems like everyone has gone into their shells and people have less compassion towards each other than they used to.*

Reet (Estonia, Business people): *I cannot agree with the claim in the second scenario that "responsibility has to be shouldered by citizens, family members, relatives, friends and*

private organisations..". I strongly disapprove. I'm a taxpayer, I pay my taxes and then I've done my part.

Włodzimierz Wesolowski (1995) thus seems to be right in arguing that the socialised idea of civil society will be replaced by a more liberal one, one that stresses the freedom of economic action in terms of individual rather than group or community rights. This view finds support in other studies as well. Frisby, for example, suggests that, under the pressures of market economy, money and not mutual help plays the role of intermediary for all social communications. Money depersonalises social relationships. It creates "excessive individualism" which increases the feelings of alienation among people, and since social guarantees and job security have become things of the past, money acquires the role of sole guarantee of personal security. (Frisby 1998, 28-29). Furthermore, as concerns weakening social networks, Eremicheva has reported, on the basis of 75 interviews conducted in St. Petersburg in 1993 and 1994, that "withdrawal" was a common coping strategy among the interviewees experiencing severe social difficulties; the respondents were relieving social tension through isolation from social problems and by retreating to their own inner world, or the world of their families. (Eremicheva 1996, 161).

Altogether, the question of who should be responsible for preventing and treating social problems is far from simple. The opinions of the interviewees were somewhat contradictory and depended on how the question was approached. When asked to indicate the causes for social problems, the influential groups in both countries pointed a finger at misguided welfare policy. Yet, when discussing the most expedient social policy, especially the Russian influential groups were of the opinion that, although the welfare state model should prevail, elements of a liberal social policy should gradually

be introduced. There were references to private pension funds and insurance companies in the discussion (Afanasyev 1998, 172-173).

In fact, considering the widespread neoliberal tones in today's welfare policy and the states' lack of resources, one could have assumed that the influential groups in Estonia and Russia would have emphasised the responsibility of individuals or civil society in preventing and treating social problems, rather than that of the state. After all, they were all, at least to some extent, what one might describe as the winners of transition. As regards the elite's views on responsibility for the welfare of the people, the main conclusion of Steen's study on elites in the Baltic countries was, similarly, that most elite groups are predominantly individualist-oriented, while also open to a degree of state involvement (Steen 1997, 293).

The results of this study strongly suggest that, in the end, whether personally favoured or not, the welfare state model is the only choice the influential groups can see for Estonia or Russia in the near future. The main reason for this is the socialist legacy and the fact that there is a great number of people who are still unable to cope with the market rules. Furthermore, as Lagerspetz et al. (1998) have pointed out, "the state" is an easy answer, as no other actors exist as yet. In other words, giving a different answer would require more imagination. Another explanation is that the roots of the social problems are seen to be deep in the structures of society and in the processes of transition and, therefore, to a great extent, out of reach for individuals. Consequently, they require solutions on the level of society.

Although the influential groups in Estonia and Russia presented very similar arguments concerning the necessity of the state's interference on social issues in the near future, the data indicates two striking differences between the countries. Firstly, the Russian groups of influence seemed to be much more liberal in their views on preferred social policy models. Secondly, as concerns the state's capability of managing social problems, the Estonians interviewed for this study were, without a question, more optimistic than their Russian counterparts. On the basis of the influential groups' perceptions in Russia, the answer to Offe's question "is there anyone capable of doing it?" would simply be "no," since the interviewees remained very sceptical about the state's or private firms' capability in tackling social problems. Interestingly, the optimism of Estonians has been emphasised in several other studies as well; according to these studies, Estonians have greater social optimism and more positive perceptions of political and economic reforms than, for example, Latvians and Lithuanians (Narusk 1996).

5.5 The new framework of defining social problems

Compared to the socialist era, the framework of defining social problems has changed significantly. Most importantly, of course, social problems have become political issues and can now be defined by more genuine and independent actors. On the basis of the perceptions of the influential groups, it seems that the logic of defining social problems has also changed considerably. If we go back to Hollander's (1991) classification of Soviet social problems (presented in Chapter 3), it can easily be seen that, in the transition period, social problems are not constructed through definitions of deviance or anti-social behaviour or even escapist behaviour. Crime, for example, is no longer

defined as a form of the anti-social behaviour of marginal groups but as a phenomenon that encroaches on every aspect of society. As in Hollander's categorisation, the problems still arise from structural-situational conditions; now, however, they are caused not by processes of modernisation but by those of re-modernisation (if we choose to describe transition in those terms.)

When we look at the interviewees' definitions of the field of social problems as a whole, there are two main findings: the first is that all those social problems which are regarded as the most serious are linked solely with transition processes, with the exception of housing problems in Russia. The other main finding is that, despite differing social and cultural traditions, the definitions of social problems are very similar in both countries. Thus, it can be concluded that the thorough debate of economists on the pros and cons of shock therapy and more gradual approaches appears rather meaningless in view of how equally dramatic the experience of the social consequences of transition has been in the countries studied: regardless of approach, the social problems people experience are the same.

As regards the definition process of social problems, the problems of housing offer an interesting example of how the constructions of social problems can vary and change over time and according to the context in which they are defined. Ivan Szelenyi, who has done an extensive study of housing problems under state socialism, argues that to understand how housing becomes a social problem one must first understand how the social distribution of housing works and that housing has a place in the reward system. Szelenyi's studies, conducted in the late 1960s, suggested that housing problems in state socialist countries consisted of two elements: firstly, there were inequalities in housing

allocation, as those with higher incomes also had better housing, and secondly, these inequalities were created by administrative allocation, i.e. by the distinctively socialist mechanism that was supposed to replace the capitalist market mechanism of allocation. Thus, under capitalism the market creates the basic inequalities and the administrative allocation of welfare slightly modifies and moderates them, and under socialism the major inequalities were created by administrative allocation. (Szelenyi 1983, 6, 11, 26).

Szelenyi's studies were conducted in many Eastern European countries but excluded the Soviet Union. Interestingly enough, however, the Russian interviewees of this study spoke of the same problem of "administrative allocation" during the socialist era. Unlike in Szelenyi's studies, the privileged were, in fact, unskilled workers who had been brought to Leningrad, and not people with higher incomes. Nevertheless, the results of this study suggest that, since the transition began, the nature of housing problems has changed. Now, inequalities are caused by the market, in terms of unequal privatisation, *and*, as the Russian interviewees pointed out, by the *absence* of administrative allocation.

To summarise the perceptions of the influential groups on the most serious social problems: The vicious circles of social problems emerge in several ways. Poverty and housing problems cause social exclusion from consumption¹⁰; crime against person and property is related to a widening gap between the rich and the poor, and it brings about feelings of insecurity; environmental pollution and the poor health of the population are

¹⁰ Cf. Atkinson, who states that an important aspect in the concerns expressed about social exclusion is that people are unable to participate in the customary consumption activities of the society in which they live. Furthermore, according to him, the most evident example is that of housing, but access to durables, food expenditure and expenditure relating to recreational, cultural and leisure activities is also significant. (Atkinson 1998, 88).

serious threats to the general well-being of the whole population, including the interviewees themselves; and in Estonia, the poor health of the population also affects the economic well-being of the nation, as does the declining birth-rate.

Following the basic ideas of social constructionist theory, the attention paid to particular social problems does not necessarily correspond to their actual prevalence. However, in this study, considering the socio-economic situation in Estonia and Russia, the interviewees' perceptions of the most serious social problems were consistent with expectations.

The influential groups' ranking of social problems appears to contain few surprises. However, especially as concerns Estonia, one might have expected more extensive discussions on ethnic problems, considering the huge debate on the position of the Russian-speaking population in Estonia and the international attention paid to it: possible future members of the EU have been asked to give full citizenship rights to ethnic minorities as the price of joining the European Union.

Blom et al. have argued that ethnicity in Estonia is not, in fact, as important an issue as it is made out to be, and that recent surveys and opinion polls show that the relationships between the indigenous population and other nationalities, primarily Russians, tend to be more or less normal. (Blom et al. 1999, 15). It is true that there have been no outbreaks of ethnic conflicts, but the results of this study do point to tensions underneath the surface.

In group discussions, the ethnic issues, although not regarded as serious social problems, were relatively frequently discussed under other topics, such as declining birth-rate and crime. The lack of interest in ethnic problems as social problems can partly be explained by the fact that all of the interviewees were native Estonians. Moreover, Steen has suggested that the relative size of ethnic groups today and the psychological trauma of occupation are important frames of reference which can be expected to influence the views of the Baltic elites (Steen 1997, 213). In the debate on Estonian citizenship, the Estonian side has generally sought to justify the existing legislation which articulates the collective rights of ethnic Estonians on their historical territory, stressing the need to protect Estonian culture and to undo the injustice that the Estonians suffered during the years of Soviet occupation (Järve & Wellmann 1999, 8).

The "trauma of occupation" was also mentioned in the interviews, especially as the "bilingual people" were blamed for most of the crimes committed in Estonia. This is consistent with earlier studies, where part of the antagonism between the Estonian and Russian populations has arisen from the popular Estonian opinion that the Russians are more criminal and more violent than the Estonians. According to this relatively nationalist public opinion, particularly young male Russians are involved with violence more than the general population. (Aromaa & Ahven 1995, 11). Altogether, the interviewees definitions of ethnic issues tell us something about how the Estonians are now confronting their own past. The same is the case with declining birth-rate, for which urgent solutions were demanded in the name of "maintaining the society." On the basis of the interviews, it can be concluded that the questions of ethnicity and nationality are vital and sensitive issues to Estonian influential persons. Furthermore, on

many occasions, their opinions on the Russian minority cannot be described as anything other than racist.

On the whole, the fate of the Russian-speaking population in the Baltic countries is a politically sensitive topic on both sides of the Russian border. In 1995, when the interviews were conducted, the Russians in St.Petersburg and in the western regions of the Russian Federation found it difficult to understand that access to their favoured holiday resorts on the Baltic shores could suddenly have been limited or that personal and trade contacts had become significantly more difficult. Additional problems of ethno-political origin emerged as a completely new category of people in need of support appeared in Russia. This group of people consisted of "forced migrants," mainly Russians returning from the now independent republics of the former Soviet Union (Simpura 1995, 8). Ethnic issues are thus complex and many-sided in both countries, and especially so in Russia, if we consider that she is a country with more than 150 ethnic minorities. Nevertheless, the topic evoked little discussion among the Russian interviewees.

Another surprise is, perhaps, the lack of interest in environmental questions in Estonia. This is particularly surprising considering the fact that the environmental question played an important role in the Baltic awakening (Dellenbrant 1994, 89). As a result of Gorbachev's policy of *glasnost*, popular protests were voiced against the deterioration of the environment in all Baltic republics. The Chernobyl disaster naturally speeded up the process, but internal sources of popular discontent also existed in large numbers. As far as Estonia is concerned, Steen is probably right when he suggests that, ever since the transition began, the limited resources available have had to be used for developing the

economy and meeting social demands and attention has, therefore, turned away from environmental problems (Steen 1997, 310). In the Russian interviews, environmental pollution was among the most debated problems, which can, at least partly, be explained by the fact that it was one of the only problems that the interviewees considered as having a bearing on their own lives.

In the end, when all the results, including the definitions of social problems, their causes, suggested solutions and perceptions of the most expedient social policy for each country are drawn together, what emerges is a new framework of defining social problems. This framework consists of the following factors:

- 1) Personal experience and changes in everyday life: for Estonia, this was a key determinant of which issues were defined as the most serious social problems.
- 2) Misguided welfare policy: in both Estonia and Russia, this was identified as causing the poor health of the population, housing problems and problems of education. In addition, poverty and environmental problems in Russia and the declining birth-rate in Estonia were seen as partly caused by failed social policy. Altogether, misguided welfare policy was one of the main causes suggested for the vicious circles of social problems, which may be another explanation for why the most serious social problems were regarded almost solely as products of the transition.
- 3) The socialist legacy and the state of anomie. These concepts are helpful in explaining the "psychological causes" of social problems and in giving reasons for why the vicious circles are so difficult to overcome. Furthermore, they are an important aspect of why

the influential groups in both countries emphasised the role of the state in solving social problems. Each of these factors will next be explained in greater detail.

Personal experience and changes in everyday life

In Estonia, the social problems were, in most cases, defined on the basis of personal experience. Moreover, the social problems defined as the most serious were very "concrete" rather than "symbolic."¹¹ Thus, for the influential groups, problems like crime, poverty, homelessness and poor housing conditions appeared as concrete threats. These problems were seen as threatening the well-being and safety of the interviewees as well as the rest of the population. Following the classification of C. Wright Mills (1959), these problems can be called *private troubles*, as they can be encountered in the course of everyday social interaction. On the other end of the scope are *public issues*, which reach beyond the local environment in which an individual functions. A public issue is also a matter that is experienced as a threat to generally accepted values (Sobiech 1998). Of the social problems defined as the most serious in Estonia, the problem that most clearly falls into the category of public issues is the declining birth-rate; in addition to its importance to the economic well-being of Estonia, the declining birth-rate was often discussed in connection with nationalist concerns.

The reason for the importance of personal experience as a determining factor in definitions of social problems can be sought in the enormous changes in everyday life

¹¹ Following the ideas of Simpura and Eremicheva (1997a), the symbolic dimensions of social problems emerge from the contrasting of reality with ideas about "the good life" or a preferable social order. For example "dirt" as a social problem in St. Petersburg can be seen as a symbol of the decay of the old social order. By contrast, the same problem seen as a "concrete" problem would be one of untidiness of the actual physical environment.

that have taken place during the transition, for example dramatic changes in the consumption pattern and increased feelings of insecurity.

Before the transition, the daily life of the average Soviet family was simple but, as a rule, there was enough money to live on. Problems such as living in small or communal flats and long lines in shops were perceived as the greatest difficulties in daily life. However, since the beginning of the transition, the implementation of economic reforms and the liberalisation of prices have meant decreasing consumption and changes in its structure. In Russia, the April 1991 price increase caused a 25-30 per cent drop in the standard of living by the end of the year, when wage increases failed to keep pace with inflation. During 1992, prices in St. Petersburg rose considerably, which caused significant changes in spending patterns. As a result, a much greater proportion of family income was spent on foodstuffs. In 1991, the food expenditure of an average St. Petersburg family equalled 30 per cent of the family income, but by 1992 its share had increased to 50 per cent. Among the lower paid groups, such as white-collar workers, the proportion of family income spent on food was more than 80 per cent. By 1994, some 80 per cent of all Russian families estimated that they were spending more than 75 per cent of the family's budget on food. (Poretzkina & Jyrkinen-Pakkasvirta 1997, 129-134).

During the transition period, expenditures on everyday necessities such as food and housing have also increased significantly in Estonia. Consequently, in 1994, almost all Estonian households had a similar consumption structure: half of the budget, or more, was spent on food, 15-20 per cent on housing, approximately five per cent on clothing, etc. Possibilities to meet other needs were very limited, and few families had money for

purchasing durable goods, paying transport costs, or education or health care. (Kutsar & Trumm 1995, 47, 50).

These changes in the consumption pattern have evidently affected the influential groups' perceptions of social problems. In the definition process, some of the social problems have undoubtedly been contrasted, albeit indirectly, with social conditions in the socialist era. A good case in point is relative poverty, a new phenomenon in transition countries where increasing and clearly visible inequality has put people in a situation of subjective poverty (cf. Einasto 1997, 69). As was discovered in the interviews, subjective poverty in Estonia manifests itself in the form of social exclusion from consumption.

The "emergence" of relative poverty has been recognised in many studies. For example, a poll conducted by the All-Russian Center for the Study of Public Opinion in 1995 found that 68 percent of the respondents regarded themselves as living below the poverty line. Penny Morvant sees the result as an indication of nostalgia for the pre-reform days, when all the people were guaranteed the provision of at least the basic material needs. In addition, Morvant suggests that the rise in crime, the collapse of the health care system and the fact that many goods, though available, are beyond many people's reach, have an effect on popular dissatisfaction about living standards. (Morvant 1996, 57-58).

In the group interviews, relative poverty was also linked with the increase in crime. The Estonian interviewees followed the same track of thought in their arguments as Lotspeich (1995) and Fatic (1997), who have argued that, while crime and poverty are

often associated, careful research has shown that it is not material deprivation *per se* that causes crime but relative deprivation, i.e. the unequal distribution of the burdens of the transition.

For both countries, it seems that crime against person is the social problem that most clearly reflects the feelings of overall insecurity caused by the heavy social costs of the transition. In addition to the rapid increase in crime, a number of reasons can be stated for why crime is regarded as a social problem *par excellence* in Estonia and Russia and in transition societies in general. Despite a reported increase in crime, several unofficial estimates indicate that the crime rate remained significantly lower in the Soviet Union than in, for example, the United States, thanks to the control of the society and a massive police force. Most importantly, for most of the communist period, the residents of the Soviet Union were proud of the fact that they could walk through the streets at night without fearing for their lives (Ilynsky 1996, 220). Another important point is that, during the Soviet period, citizens often lived without fear of crime because no crime statistics were published and the censored media covered up the growing crime problem. Thus, most citizens were unaware that, in fact, crime increased throughout the 1980s. (Shelley 1994, 131).

According to Andrea Sanjian, crime statistics and similar publications do not reflect the insecurity of the transition period. Instead, they reflect long-term trends that had been developing long before Gorbachev reached the Politburo. According to Sanjian, the collapse of communism and the process of reform did not initiate these trends; they have only accelerated them. Moreover, Sanjian states that the crime rates in the former Soviet Union were not that exceptional for an industrial and largely urban society; what

is important about them, for the post-Soviet society, is their rapid increase and the perception generated among the public of precipitous collapse of the social order. (Sanjian 1994, 128) Thus, as Louise Shelley has pointed out, societies can accustom themselves to consistently high crime rates, but a sudden rise in crime causes anxiety. After years of living in a well-ordered society, an unprecedented growth in crime is a visible symbol of societal collapse. (Shelley 1994, 130-131).

Altogether, considering the depth of the feelings of insecurity caused by the fear of crime and other social problems in transition societies, Therborn's (1995) dramatic statement that "the East Europeans are the unhappiest people on earth" is probably not entirely groundless. Despite all their flaws, the socialist societies were societies where people faced few social risks. In addition to the very real social misery of the moment, one explanation for why the situation is experienced so dramatically is probably the fact that the reality of life after socialism fell short of all expectations. For example, a 1992 survey on public opinion in the Baltic countries (Liepins 1992) shows that, before the August coup in 1991, the inhabitants of the Baltic countries saw their economic situation quite positively, although none of the respondents regarded the economic policy of his/her country very highly. Moreover, even though the consequences of socialism were regarded as heavy, there was genuine interest in starting up businesses, and optimistic expectations of success were high. In 1991, when Estonia regained its independence, the citizens were still participating in the rebuilding of its economy. They had high hopes for the future, impatiently waiting to "live happily ever after." However, in contrast to the overall expectations, the whole population started to experience losses in their welfare resources, which resulted in disillusionment, a decrease in social,

political and economic participation, and the eventual weakening of bonds between the individual and the society. (Kutsar 1997, 80).

Other studies have indicated equivalent changes in the everyday life of the Russian people. One study, based on 75 interviews conducted among St. Petersburg families in 1993-1994, found problems of coping with everyday life that were very similar to the ones that this study found in Estonia. According to Eremicheva (1996), the interviewees, all of whom were women, shared a sense that their quality of life has decreased sharply. Furthermore, they were all afraid of the future. According to Eremicheva, this fear was the result of a psychological shock caused by rapid changes in everyday life. Most of the problems faced by the women have already been discussed in this study, among them the decrease in the quality of life, the threat of unemployment, rising crime rates in the cities, the lack of opportunities to solve the problems of housing, having to pay for medical care and education, and dirt and disorder in the streets. Moreover, like the Estonian interviewees, these Russian women reported that much of their family budget was spent on vital needs and that the amount of money spent on leisure, rest and entertainment had been radically reduced. (Eremicheva 1996, 154-155).

However, despite the similar social context as regards changes in everyday life, the results for Russia are very different in this study; in Russia, personal experience was not the determining factor in defining the most serious social problems. The only social problems singled out by the influential persons as having a bearing on their own lives were environmental pollution and the poor health of the population. It is noteworthy that only two of the Russian interviewees referred to crime as a problem afflicting either

themselves or their families, and none said they had been afflicted by poverty. (Afanasyev 1998, 159). This notable difference between the countries requires closer examination, considering the otherwise very homogeneous perceptions of social problems.

Why was the social situation experienced so differently by influential groups in Estonia and Russia? There are several possible explanations, including the fact that the majority of the Russian interviewees were men. In the aforementioned study, conducted in St. Petersburg, Eremicheva found that, in general, men paid more attention to politics, discussing actual political events, while women were more inclined to talk about the economic and psychological difficulties in everyday life. Another possible reason is the fact that the majority of Eremicheva's interviewees belonged to the group of the new poor, a specific group in the sense that they are all educated professionals who, before *perestroika*, had a stable position and social status which have now lost their prestige (Eremicheva 1996, 154,162). The Russian influential groups interviewed for this study, however, seemed to have a very different social position: they stood above the middle strata of society and were thus not affected by the social problems afflicting the "working poor" and the lower social strata. Furthermore, their social position also seemed to differ from that of their Estonian counterparts, who included themselves in the middle stratum of society which had been hard hit by many of the social problems caused by the transition.

One can also assume that, in Estonia, the transition has "gone through" the whole social structure more or less equally. This has left its mark on the consumption structure, which was the same for nearly *all* Estonians at the time of the interviews. In Russia,

however, the social costs of the transition have been less equally distributed, meaning that the lower and middle strata of society have been bearing most of the burden, while the upper stratum has managed to avoid social problems, such as poverty and even the threat of crime. However, as the results of this study suggest, a high social position cannot provide any kind of protection against environmental pollution or the health problems caused by it¹².

Another explanation based on the position of the influential groups is linked to the differences in political systems. According to Stojanov (1992), the central question in understanding the post-communist transformation is: "what part of the state-socialist system has collapsed and what part of it is still alive under the new conditions?" This question of continuity and discontinuity, already raised in Chapter 2, becomes relevant yet again: if, in Russia, there is greater continuity as regards the social position of elites or influential groups, it can also be supposed that there is more continuity in the political culture in general. According to Sanjian, some continuity is to be expected even in a political system committed to social transformation; continuity can become desirable either in the interests of some minimal stability or because many of the old norms are valuable in their own right. (Sanjian 1994, 112).

Whether desirable or not, as far as political culture is concerned it is evident that there is more continuity in Russia than in Estonia, where democracy is working perhaps more accurately. This present-day difference in political culture can also explain why the

¹² Another explanation for why the pollution of environment is experienced as a *private trouble* in St. Petersburg has been provided by Simpura and Eremicheva (1997a), who found, in their interview study conducted in St. Petersburg in 1993, that dirt and disorder were regarded as the number one social problem by the 42 interviewees. Their explanation for this surprising result was that dirt and disorder are problems encountered daily in the dirty streets of St. Petersburg. In addition, dirt and disorder were seen as symbols of the breakdown of the old social order.

social situation is not just experienced but also expressed so differently by the Estonian influential persons who, despite their seemingly secure position and prestige, share the feelings of insecurity of the rest of the population. The point here is that, in doing so, they follow the rules of Western democratic systems, where political leaders and elites are expected to be well aware of the sentiments of the public and to take them into account in their decision-making. This is part of the role that those in high social positions are expected to perform (cf. Scott 1996, 99).

Misguided welfare policy

The influential groups in Estonia and Russia were of the opinion that most of the social problems were products of the transition. This result seems somewhat surprising if we consider that most of the social problems they regarded as the most serious have their roots in the era of socialism, measured by many indicators. For example, according to a public opinion survey conducted by VTsIOM (All-Union Centre for Public Opinion Research), the shortage of food and consumer goods, crime, environmental pollution, housing, and health care were the major concerns of Soviet citizens already in the *perestroika* period (Wyman 1997, 39). Furthermore, as mentioned earlier, even birth-rates started to decline long before the break-up of the Soviet Union.

The interviewees shared the opinion that social problems had further deteriorated during the transition period, even when they were discussing the heritage of socialism. From their point of view, one of the main causes for this was misguided welfare policy, which was identified as a determining factor behind the poor health of the population, housing problems and problems of education.

In Estonia, the lack of state intervention and the poorly functioning health care system were blamed for the deteriorating health of the population. According to Judyth L. Twigg (1997), the health sector faced enormous difficulties already in the Gorbachev era. However, despite the many reported flaws of the Soviet health care system, most studies conducted with former Soviet citizens indicate that the idea of universally available medical care provided by the state was one of the most positive aspects of the Soviet system and its welfare services (e.g. Field 1994, 186, Lapidus 1983, 234).

Today, Estonians and Russians find themselves facing long waits for treatments of rapidly worsening quality. So far, the governments of Estonia and Russia have tried to tackle the problems of health care by introducing decentralisation policies. Furthermore, in Russia the government's efforts to prevent the ongoing deterioration have focused on the introduction of market forces, to improve efficiency, and the channelling of additional revenues into the health care system. However, the implementation of the reforms has been very uneven and unable to shelter the health care sector from endemic money shortages. In fact, the excessive decentralisation and marketisation have led to chaos and a diminished quality of care. (Twigg 1997, 56-57, 60).

In the group discussions, similar trends were recognised in housing policy. The Russian influential groups emphasised that the main cause for housing problems was the absence of centralised housing policy, for which no functioning alternatives had yet emerged.

In addition to health care and housing, one sphere of welfare policy where responsibility has rapidly shifted from the state to local authorities and private enterprises is education. In the group discussions in Russia, the problems of education were somewhere in the middle of the list of social problems, but in Estonia they were regarded as problems that

needed an urgent solution. Moreover, the problems of education were frequently mentioned among the social problems that affected the lives of the Estonian interviewees and their families.

During the socialist era, problems of education were not acknowledged, although Faina Kosygina and Solomon Krapivenskii, for example, claim that there were tremendous shortcomings in the structure and content of education as well as in the physical conditions in Soviet educational establishments (Kosygina & Krapivenskii 1996, 154). However, according to Vladimir Chuprov and Julia Zubok, as the legitimacy of the communist state was brought into question, the flaws in the past educational policy began to emerge. It was estimated that, at the start of the 1990s, the quality of Russia's education and science provision was two to three times lower than that of the United States. (Chuprov & Zubok 1996, 207).

In post-communist countries in general, the state has relinquished its monopoly in the managing of nursery schools as well as primary and secondary schools after the transition. (Palka 1995, 162). Due to decentralisation policies and marketisation, there is a genuine financial threat to educational standards across Eastern Europe. According to Ewa Zareba, the collapse of the State Budget has had an enormous impact, as it has resulted in the pauperisation of teachers, the imposing of limits on curricula and on faculty activities, a lack of basic teaching aids, and the deterioration of actual school buildings and facilities. (Zareba 1995, 175). All of these trends were recognised also by the Estonian influential groups, who linked the problems of education mainly to the fall in budgetary outlays on education.

All in all, on the basis of the interviewees' definitions of housing problems, problems of education and poor health of the population, it can be concluded that the decentralisation policy in the welfare sector has not been functioning as expected. The main problem, at least at the time of the interviews in 1995-1996, was that the old system of welfare had been demolished and the new local social security system was still undeveloped or ineffective and largely incapable of alleviating the social problems caused by the transition. Thus, as concerns the restructuring of the welfare sector, the current system's "mistakes" resemble those of *perestroika*; the old structures were demolished too quickly and without offering any alternative.

The socialist legacy

The third significant factor that clearly guides the influential groups' perceptions of social problems is the socialist legacy which, through the values of the people, still affects their behaviour. As discussed in Chapter 2, the impact of the socialist legacy is a much debated issue in transition theories. Sztopka, for one, has been looking for an answer to the question of why intellectuals, journalists and politicians have repeatedly expressed "the worry that the communist system is still alive." According to him, such intuitions indicate that there must be, below the visible level, some other level of social reality where the vestiges of communism hide untouched and manage to survive in spite of institutional reforms. Sztopka suggests that there may be, first of all, *a level of deeper personal commitment*, where values, motivations, drives, attitudes and habits of thought are often subconscious but directly reflected in human conduct. Secondly, there is an even deeper and more hidden *level of cultural code* which is typical for a given society. By this, Sztopka refers to shared patterns of, or blueprints for, acting and

thinking which strongly constrain or facilitate social life. They are truly "social facts" in a Durkheimian sense: resistant to change and thus slow to be replaced. (Sztompka 1991, 296-297).

Burawoy and Verdery (1999) challenge analyses that try to account for the confusions and shortcomings of the transition process by simply blaming them on socialist legacies or culture. According to them, what may appear as "restorations" of patterns familiar from socialism are, in fact, something quite different: direct responses to the new market initiatives, and thus products of these new initiatives rather than remnants of an older mentality. In their opinion, the past enters the present not as a legacy but through novel adaptation. Altogether, the authors want to show that the conventional metaphors, such as extinction, genesis, and legacy, are limited because they accord insufficient integrity to the creative processes of everyday practice.

The influential groups in Estonia and Russia would not agree with Burawoy and Verdery: for them, the problem was that no "novel adaptation" had yet taken place. Instead, the influential groups' ideas correspond with those presented by Sztompka. Although the exact difference between "a level of deeper personal commitment" and the "level of cultural code" remains unclear, the results of this study suggest that, to some extent at least, the socialist system is still alive in the minds of the people, even though practically all of its major economic, political and social structures have been dismantled. Consequently, many of the social problems (e.g. poverty) arise from the fact that the people's values, inherited from socialism, are incompatible with the solutions now required for the problems in a new social environment. To put it another way, the *homo sovieticus* or *homo etaticus* has not ceased to exist.

According to Stojanov, the main characteristic of the "socialist personality," which the influential groups also referred to, is *the passivity of individuals*. Under conditions where only unplanned behaviour was punished and conformity was held to be the only legitimate form of pursuing one's own interests, passivity established itself as a virtue and as the decisive behaviour pattern that proved to be functional in the state-socialist world. (Stojanov 1992, 217). Thus, the results also indicate that the values introduced by communism seem to have cancelled out some of the pre-communist values, such as "high achievement" which has been a traditional value in Estonia (cf. Barnowe et al. 1992, 187).

The social legacy of communism, in context with various social problems, has also been debated by James R. Millar and Sharon L. Wolchik. According to them, a legacy is usually conceived of as an enduring intergenerational transfer from the past to the present. Furthermore, they consider the social consequences of communism under three headings: (1) legacies that flow from the tacit social contract between the population and the state, (2) legacies that represent values, attitudes, and behaviour that the state attempted to either instil or extirpate in the subject population and (3) the aftermath - the unintended consequences of communist rule. By unintended consequences, Millar and Wolchik refer to the fact that, as a result of living under conditions of the Soviet rule, large numbers of citizens have come to distrust public institutions and officials. (Millar & Wolchik 1994, 4). As concerns distrust of public institutions, it is true that, in the Russian interviews, public officials were blamed for misguided social policy. However, the influential groups still expected those selfsame public institutions to solve most of their social problems. Otherwise, the points made by Millar and Wolchik are very relevant considering the results of this study.

The legacies that represent values, attitudes and behaviour were already discussed above. In addition, the results obtained in this study support Millar and Wolchik's argument that the "social contract" between communist states and their citizens offers an important starting point for identifying the social legacies of communism and understanding social problems that have come into the open during the transition to post-communist rule. According to the influential groups in Estonia and Russia, it is also clear that many citizens of post-communist societies still attach positive evaluations to most of the social entitlements that the communist social system offered (e.g. housing, health care, education and pension system.) As discussed in the context of crime, the social contract meant that, for many years, the Soviet citizens exchanged their personal freedom for a high degree of order. In other words, there was a trade-off between personal freedom and the crime rate (Shelley 1994, 130).

The socialist legacy and the persistence of *homo etaticus* seem to have guided the perceptions of the interviewees on the future prospects of social policy all-inclusively: they were regarded as the main reasons for why liberal social policy could not yet be implemented in either Estonia or Russia. Again, the interviewees' perceptions verify the arguments of Millar and Wolchik, who state that one major legacy of communism is the belief that the government is responsible not only for assuring the general prosperity of the nation, but also for guaranteeing employment and the provision of the basic material needs of the citizens. (Millar & Wolchik 1994, 16). Furthermore, the influential groups' perceptions of the causes of social problems, as well as their perceptions of the most expedient social policy, suggest that the influence of the socialist legacy is stronger in Russia than in Estonia, where the transfer away from the state-controlled social security system was expected to be more rapid.

Sztompka has suggested that the persistence of old modes of thinking can partly be explained by "the mechanism of socialisation and generation effect." According to him, the bridge between the influences of the past and the future is provided by generations, and the strongest socialising impact is effected during the period of youth. Consequently, as long as the majority of population consists of people whose young, formative years and, therefore, crucial socialising experiences, fall under the rule of the communist regime, one can expect continuing vitality of the "block culture." (Sztompka 1996, 126).

This explanation is, at least partly, reversed by a study conducted in 1990 among Russian youth (born between 1960 and 1975.) The study revealed that, although young Russians reject the communist heritage in many respects, their support for state welfare policies shows continuity with the Soviet past (Dobson 1994, 249). This result could prove that Szacki is right when he states that the majority of people in former socialist societies have become accustomed to étatist solutions (Szacki 1995, 161).

However, I would hesitate to explain the perceptions of influential groups by the "generation effect" or by the fact that most people are merely accustomed to state-based solutions. The middle-aged influential persons interviewed for this study were socialised into state socialism and, even if they do still point to the state as the responsible body for people's welfare, they do not do so for the reasons mentioned above but because they regard it as necessary in a situation where the majority of the people are still unable to cope in the new environment and where no other alternatives exist as yet. In any case, for the time being, the belief that the state should play a major

role in the economy and provide its citizens with welfare entitlements appears likely to remain as part of communism's legacy.

The state of anomie

If the fact that the social ethic of the old system is not providing the necessary social guidance for the new economic reform can be considered as one side of the problem, the other side is the absence of new norms and values. The combination of the two results in a state of anomie, which can be described using the same concepts Durkheim did in 1897. In the words of Durkheim:

"Man's characteristic privilege is that the bond he accepts is not physical but moral; that is, social. He is governed not by a material environment brutally imposed on him, but by a conscience superior to his own, the superiority of which he feels. Because the greater, better part of his existence transcends the body, he escapes the body's yoke, but is subjected to that of society. But when society is disturbed by some painful crisis or by beneficent but abrupt transitions, it is momentarily incapable of exercising this influence; thence come the sudden rises in the curve of suicides." (Durkheim 1952, 252).

Although Durkheim developed the concept of anomie in the context of his extensive study on suicide, its wider relevance has been commonly acknowledged. Frank Pearce, for one, argues that Durkheim's *Suicide* is not only an exploration of social pathology but also a resource for developing a sophisticated account of the relationship between certain kinds of rational individuals and certain kinds of rational social orders. Durkheim himself did believe that his work had far broader implications than merely the provision of an aetiology of suicide (Pearce 1989, 134), and he was right, at least as concerns explaining the state of normlessness now found in the transition societies. The following quotation could well be used to describe this state of normlessness:

"In the case of economic disasters, indeed, something like a declassification occurs which suddenly casts certain individuals into a lower state than previous one. Then they must reduce their requirements, restrain their needs, learn greater self-control. All the advantages of social influence are lost so far as they are concerned; their moral education must be recommenced. But society cannot adjust them instantaneously to this new life and teach them to practice the increased self-repression to which they are unaccustomed. So they are not adjusted to the condition forced on them ... Time is required for the public conscience to reclassify men and things. So long as the social forces thus freed have not regained equilibrium, their respective values are unknown and so all regulation is lacking for a time. The limits are unknown between the possible and impossible, what is just and what is unjust, legitimate claims and hopes and those which are immoderate." (Durkheim 1952, 252-253).

According to Pearce's interpretation of Durkheim, an opposite situation to anomie is a situation where the lives of individuals are totally controlled or regulated by detailed abstract rules or supervised by the continuous "critical gaze" of one another (Pearce 1989, 135). Therefore, anomie in the Durkheimian sense could not have existed in state socialism. Interestingly, however, numerous scholars studying Central and Eastern Europe are now reporting findings consistent with Durkheim's arguments of a century before (Woolcock 1998, 173).

Anomie also proves to be a useful concept for this study, as it helps to explain the causes behind many of the social problems regarded as the most serious in Estonia and Russia. In anomie, individuals have a newly-found freedom and the opportunity to participate in a wide range of activities, but they lack the normative guidance, support and identity that are needed in a new social environment (cf. Woolcock 1998, 173). Durkheim's theory becomes particularly relevant in the consideration of the rise in crime, as it states that societies in their normal state develop regulatory mechanisms that restrain criminal behaviour through formal sanctions and norms. But, as Durkheim stated in the first of the above quotations, "when a society is disturbed by some painful crisis ... it is momentarily incapable of exercising this influence." What seems to have

happened in the transition societies is that the collapse of formal controls has exacerbated the collapse of social controls, and the result has been a notable increase in both the incidence and the variety of crime. (Cf. Lotspeich 1995, Sanjian 1994). This was also the opinion of the Estonian and Russian interviewees: the lack of a new moral order and social control was often mentioned as one of the main reasons for the increasing crime rates.

Katrin (Estonia, Journalists): *Actually I think that the real social problem, from which all the other problems in the list arise... It is a matter of ethics and morals. We lack moral support and social control that we could lean upon. No one judges those who set bombs, nor the leaders of the economy who commit white-collar crimes.*

In other studies, the state of anomie has been recognised in connection with many social problems now afflicting transition societies. While looking at unemployment in Poland, Marcinkowski and Sobczak have argued that when the "social space" lacks cultural ordering, something similar to Durkheimian anomie emerges. According to them, the existing mixture of ideas on how to tackle the unemployment problem suggests that the task of finding clear definitions of the social roles and missions attached to unemployment will have to wait for the future. (Marcinkowski & Sobczak 1995, 57-58). The lack of new norms has been quite painfully experienced in the field of education where, under the socialist order, the state defined the objectives of education, and they were based on ideology rather than philosophy. As the old system collapsed, discarded, so did its philosophy, its principles and its concept of human nature. Zareba, among others, has questioned whether this vacuum has yet been filled (Zareba 1995, 172).

In addition to pointing to the state of anomie as a cause of social problems, the influential groups referred to it indirectly in their discussions on social policy. The idea

of the state of anomie is especially relevant in studying perceptions of the role of civil society in taking care of social problems, as it offers one explanation for why civil society was not regarded as a viable option.

As remarked earlier, although there was no civil society in state socialism, there nevertheless existed important social networks that created a reciprocal web of relationships that lay outside both the state and the planned economy. Now, however, there is increasing distrust of social networks, according to the interviewees. In the group discussions, the diminishing reliance on social networks was linked with the lack of social control and the resulting feelings of insecurity. Altogether, as a consequence of the lack of social control, trust and reciprocity, the basis of civil society remains weak.

The connections between civil society and anomie were briefly discussed in Chapter 2. It can now be confirmed that the construction of civil society does seem to be one key to reducing the state of anomie. As Sztopka (1991) has put it, civil society would provide intermediate linkages between state and society, help integrate private and public interests, and create informed and motivated citizens who support the economic and political reforms. According to Michael Woolcock (1998), many studies on Central and Eastern Europe show that the credibility of new democratic governments in these regions is linked to their capacity to nurture the institutions of civil society that help to prevent anomie and alienation. In addition, some scholars (e.g. Dahrendorf 1997, quoted in Chapter 2) have emphasised the importance of citizenship rights as a key to avoiding anomie.

Nevertheless, in reality, the old social contract between the population and the regime in which there was no place for civil society has proved to be deeply rooted. As noted earlier, the old social contract allowed the citizens to enjoy a certain level of social welfare, although at the expense of their civil liberties (c.f. Tong 1995). According to Sanjian, many former Soviet citizens are still sceptical of the merits of their new social contract because of the near-total disintegration of the moral order (Sanjian 1994, 127). Yanqi Tong, in turn, has suggested that what seems to have happened now is that the people have refused to sacrifice the economic welfare they enjoyed previously: they continue to hold the state responsible for their economic well-being even now that they have achieved more political rights (Tong 1995, 224, 233).

I would argue, however, that, contrary to the opinions presented above, it is not a matter of being sceptical or of refusing to sacrifice anything. Instead, quite apart from the consequences of the socialist legacy, the state (in Estonia and Russia) is still needed as a provider of social protection for its citizens because of the breakdown of the old social contract, the loosening ties of social networks and the lack of civil society, all of which have surely contributed to the existence of anomie.

APPENDIX 5.1

Table 1. Social problems and the number of influential persons who regarded them as the most serious problems in Estonia.

	Journalists		Business people			Administrators	Total
	Eesti Ekspress	Maaleht	Eesti Energia	Private enterprises	Ministry of social affairs		
Crime against person	4	5	8	2	4	23	
Cultural deterioration			1			1	
Declining birth-rate		2	3	2		7	
Domestic violence					1	1	
Drug abuse	1			1	1	3	
Drunkenness and alcoholism	2	2	1	1	2	8	
Economic crime			1	2		3	
Environmental pollution						-	
Ethnic problems			2	2	1	5	
Homelessness and poor housing conditions		2	1			3	
Poor health of the population	1	4		3	2	10	
Poverty	1	2	3	1	4	11	
Problems caused by smoking		1				1	
Problems of education			1	2	1	4	
Problems of privatisation	1	2	3	1		7	
Problems relating to income security and the availability of social services						-	
Prostitution						-	
Unemployment	1					1	

Table 2. Summary of the influential groups' perceptions of different models of social policy in Estonia. The number of persons who regarded the model in question probable or preferable.

	Welfare state model		Model of neoliberal social policy		Model "in between"	
	Prob.	Pref.	Prob.	Pref.	Prob.	Pref.
Journalists Eesti Ekspress	2	1	-	3	1	-
Journalists Maaleht	2	3	3	1	1	-
Business people Eesti Energia	-	2	4	2	-	2
Business people Private enterprises	1	2	4	1	1	2
Adminis- trators Ministry of social affairs	3	2	2	-	-	1
Total	8	10	13	7	3	5

CHAPTER 6. INFLUENTIAL GROUPS' PERCEPTIONS OF SOCIAL PROBLEMS IN FINLAND

The ongoing transformation of the welfare state serves as the context and the starting point for studying influential groups' perceptions of social problems and future prospects of social policy in Finland. As discussed in Chapter 2, the welfare state ideology was, until recent years, the relatively stable frame of reference for defining social problems in Finland (cf. Simpura 1991). Now, however, it is becoming less and less evident what kind of phenomena in society will be seen as social problems; due to the spreading of neoliberal ideas, the problems experienced by the individual are not necessarily regarded as social problems any more. Therefore, as with Estonia and Russia, I start the analysis from the assumption that the framework of defining social problems is changing. The possible course of this change will be discussed first, on the basis of the results of a previous study on social problems conducted in Finland at the beginning of the 1990s. Otherwise, this chapter follows the same structure as Chapter 5: after examining the influential groups' perceptions of the most serious social problems in Finland as well as their causes and suggested solutions, I will present the results as concerns what the groups perceived as the most expedient social policy for Finland.

6.1 Changes in the framework of defining social problems

The hypothesis concerning the diminishing importance of the state as a frame of reference for the defining of social problems has previously been tested in a study on the definitions of social problems in a leading Finnish newspaper, *Helsingin Sanomat*

(Hanhinen 1994, Lagerspetz & Hanhinen 1994). The study was based on 373 editorials and other opinion-forming articles, and it revealed that the most frequently mentioned issues in editorials were problems in the economy and problems in the political system. Each category accounted for 20 per cent of all mentions of problematic issues. Other frequent topics were culture and education, social and public services, and environmental issues, each accounting for approximately 9 per cent of all mentions of problems.

The study covered the years from 1985 to 1992. Consequently, the swing from affluence to depression, experienced in Finland at the turn of the decade, was highly apparent in the data. For example, the subject of statements on economic problems changed over the study period: in the period of increasing prosperity, up to 1989, the economic problems *par excellence* were inflation and the narrow prospects of price competition in the international market. During the hottest wave of speculation in 1988 and 1989, the feverish growth of the financial markets and distrust in them became issues. From 1990 onward, the rapidly growing foreign debt and the downward spiral of the whole economy were brought to the forefront. Finally, the detrimental effects of the depression at all levels of society were made visible by articles describing citizens on the verge of starvation due to dire financial circumstances.

Social change was also reflected in articles on social and public services which changed notably during the study period. Up until 1991, the major issue in this category was the insufficiency of certain clearly defined health and social services. With the depression, from 1991 onwards, the scope of the problems extended to cover the entire system of health care and social services, with strong emphasis on economic aspects. Another

category that showed a clear time variation was poverty and inequality. On the whole, these issues received only a little attention. Surprisingly, however, the number of statements regarding poverty and inequality was much higher before 1989 than afterwards, which is somewhat paradoxical, considering that the deepening depression certainly contributed to the prevalence of these problems. The decline of interest in these problems may be indicative of the weakening of welfare state ideology. Another explanation lies in the fact that *Helsingin Sanomat* is a newspaper for a large middle-class readership, and it is not concerned with the problems of marginal groups, as those do not affect its readers. This view is also supported by the fact that unemployment was rarely mentioned in editorials or other opinion-forming articles.

All in all, considering the deep changes in Finnish society and economy during the period of the newspaper study, one would have expected greater changes in articles on social problems. There were, in any case, signs that the framework of defining social problems was changing. For example, during the first years covered by the analysis, it was taken for granted that the society would intervene in its citizens' problems, such as alcoholism, homelessness, or difficulties in organising day-care for children, generally by spending more resources. Towards the end of the study period, a decrease in the frequency of references to welfare concepts reflected a weakening of collective responsibility and a stronger emphasis on individuality. Consequently, it was no longer self-evident that an individual's problems should also be social problems. A similar result has been reported by Järvinen (1997) in her study on the construction process of drug problems. The study on drug issues in the Finnish afternoon tabloid *Ilta-Sanomat* showed that, in 1994, the drug problem was seen as being the problem of a few individuals; no structural or social explanations were mentioned in connection with it.

At the time of publishing the results of the newspaper study in 1994, the authors predicted that the cuts in public expenditure would probably continue in the future, even under more favourable economic conditions, and that this would bring about further changes in the framework of defining social problems (Lagerspetz & Hanhinen 1994, 34). This assumption is tested here, although in a different research setting: while for Estonia and Russia, one of the most crucial research questions in this study was "to what extent is the old socialist system still alive under the new conditions?" the relevant question for Finland is "to what extent does the welfare state hegemony still determine perceptions of social problems?"

6.2 The seriousness of different problems

Regardless of how the topic of social problems was approached in the interviews, the influential persons listed unemployment as by far the most serious social problem in Finland (Table 6.1). In their responses to the *questionnaires* filled at the beginning of the group sessions, unemployment was followed by environmental pollution, poverty and economic crimes. Economic crimes were brought up especially by the interviewees who worked in the Ministry of Finance and, undoubtedly, had a professional interest in this particular issue. On the whole, perceptions of the most serious social problems did not differ significantly between the groups. In the questionnaires, business people did put more emphasis on drug abuse and less on poverty than the other groups, but in the actual interviews their discussions of the most pressing social problems also turned rather towards poverty than drug abuse.

Table 6.1. Seriousness of different social problems in Finland according to influential persons (number of mentions in questionnaire).

	JOURNALISTS		BUSINESS PEOPLE		ADMINISTRATORS		Total
	<i>HS</i>	<i>Demari</i>	<i>Neste</i>	<i>Nokia</i>	<i>ME</i>	<i>MF</i>	
Crime against person	2	-	1	-	1	2	6
Domestic violence	1	1	-	-	2	-	4
Drug abuse	-	-	3	2	-	1	6
Drunkenness and alcoholism	1	1	-	2	2	1	7
Economic crimes	-	3	1	1	2	6	13
Environmental pollution	1	5	1	4	2	4	17
Ethnic problems	1	-	2	-	-	-	3
Homelessness and poor housing conditions	1	2	2	-	-	1	6
Inequality between men and women	1	1	-	-	1	-	3
Poor health of the population	-	1	-	-	-	-	1
Poverty	4	3	1	1	3	2	14
Problems caused by smoking	-	-	-	-	-	-	-
Problems relating to income-security and availability of social services		2	2	-	2	1	7
Prostitution	-	-	-	-	-	-	-
Unemployment	7	6	7	7	5	10	42

HS= *Helsingin Sanomat*, ME= *Ministry of Education*, MF= *Ministry of Finance*

The group discussions were conducted at a time when the depression and its social consequences to the daily life of many Finnish people had become very apparent. This has surely affected the influential persons' perceptions of the most serious social problems in the country. The seriousness of most problems, although not of, for example, environmental pollution, can thus be explained by a sudden dramatic change in their prevalence. Similarly to unemployment and poverty, economic crimes became an intensively discussed topic in the mid-1990s, when the consequences of the 1980s economic boom, which had been characterised by extremely free borrowing and lending, started to emerge. Scapegoats were sought, hounded and punished, among them politicians and former bank and industrial managers. The other problems in Table 6.1 which can, at least partly, be explained by the depression are homelessness and poor housing conditions as well as problems relating to income security or the availability of social services.

The influential groups' ranking of the most serious social problems was almost the same on the local level as it was on the level of the society as a whole. Social problems afflicting the interviewees' residential areas included the aforementioned problems of unemployment, environmental pollution, economic crimes and poverty, but in this context the interviewees also mentioned drug problems and crime against person (Appendix 6.1, Table 1). Since the interviewees were all from the greater Helsinki area, the result indicates that these problems were especially visible in the capital area.

When social problems are viewed on the level of the individual, the picture changes completely. This was evident when the interviewees were asked to indicate social problems that affected either them personally or their families. The most common

answer to this question was "none" (Appendix 6.1, Table 1). Some of the interviewees mentioned environmental pollution and crime against person, and a few referred to unemployment in this context. However, as concerns unemployment, it is noteworthy that the interviewees emphasised rather the increasing tax burden than the threat of joblessness. On the whole, one can conclude that, unlike in Estonia, "personal experience" was not a factor that guided the Finnish influential groups' perceptions of social problems.

Table 6.1 is based on the questionnaires, and it does not reflect the frequency or intensity with which different social problems were discussed. For example, although economic crimes ranked high in many questionnaires, in the actual interviews the majority of the influential persons felt that the extent of the problem had been exaggerated. In all of the *discussions*, the dominating topic was unemployment. The other problems discussed in greater detail were poverty and increasing inequality, environmental problems, housing problems and the increasing state debt. Thus, as regards the different dimensions of social problems discussed in Chapter 5, social problems in Finland can be classified as shown in Table 6.2.

Table 6.2. Classification of social problems in Finland.

Fully-fledged social problems	Existing and prevailing social problems/ Potential social problems	Minor or marginal issues and non-existent social problems
Unemployment	Economic crimes	Domestic violence
Environmental pollution	Drunkenness and alcoholism	Ethnic problems
Poverty	Problems relating to income security and availability of social services	Inequality between men and women
	Crime against person	Poor health of the population
	Homelessness and poor housing conditions	Problems caused by smoking
	Drug abuse	Prostitution

Altogether, *unemployment*, *environmental pollution* and *poverty* ranked high on the lists of all groups, both in the questionnaires and in the group discussions. They were also indicated as social problems that needed an urgent solution (Appendix 6.1, Table 1). Consequently, they are classified as fully-fledged social problems. At the other extreme, there are issues such as domestic violence or problems caused by smoking that none of the interviewees mentioned among the most serious social problems and that were regarded as belonging solely in the private sphere of the individual. In addition, this category of minor or marginal issues includes ethnic problems and poor health of the population. These two were often named as issues for which the state should bear responsibility (Appendix 6.1, Table 2), but not as serious social problems, supposedly due to their infrequency in Finnish society. In the following chapter, the logic of how

something becomes defined as a fully-fledged social problem will be examined in greater detail.

6.3 The definitions of the most serious social problems

Unemployment

Throughout its history, the Finnish welfare state has been associated with the goal of full employment. An active labour market policy has been an integral part of it, and this has meant public employment services, moving allowances, job training, temporary public employment and subsidised employment in the public sector (Stephens 1996, 39). As a consequence, as long as economic growth was strong, unemployment remained at a moderate level and was not perceived as a social problem. This has been illustrated in, for example, the previously mentioned study on social problems in the editorials of a leading Finnish newspaper; during the years 1987–1990, the problem of unemployment was not mentioned once. In 1992, however, 13 per cent of the editorials discussing social problems dealt with unemployment (Hanhinen 1994, Lagerspetz & Hanhinen 1994).

By that time, unemployment had doubled compared to 1989. At the time of the interviews in 1995, the unemployment rate was approximately six times higher than it had been before the recession (Statistics Finland 1995). In addition, the number of long-term unemployed had increased considerably; depending on approach, estimates indicate that 30-50 per cent of all job seekers had been without work for more than one year (Santamäki-Vuori 1996).

The public image of the unemployed also changed drastically. In the 1980s, the unemployed were portrayed in public debate as a deprived and pitiful minority group (Kortteinen & Tuomikoski 1998, 13). By the mid-1990s, nearly every Finnish family, regardless of social position, had been touched by unemployment some way or other.

Against this background, it is not surprising that unemployment was the most profoundly discussed topic in all the influential groups and that all the interviewees saw it as the problem that most urgently needed to be solved in Finnish society. In constructing the unemployment problem, the present was contrasted with the past; short-term youth unemployment in the 1980s was referred to, but the final conclusion was that, at the time of the interviews, Finland was quite obviously facing long-term unemployment, and to an unforeseen extent.

Ahti (Administrators): *I don't think it matters whether we have long-term unemployment or youth unemployment. It's all part of the same thing. We can't get out of long-term unemployment without reducing overall unemployment. We have about 450,000 unemployed, and 140,000 of them have been unemployed for over a year now. So we can soon start arguing that our unemployment problem is a long-term unemployment problem. We can't separate these two and go with the notion that there exists a mass of unemployed people that we don't have to care about.*

Furthermore, what makes unemployment, and especially long-term unemployment, such a serious social problem is that it can create other problems. A study conducted in Finland in the mid-1990s revealed that the rising unemployment level had not caused notable changes in the occurrence of other social problems, such as suicide, divorces, alcohol related deaths and capital crimes (Heikkilä 1995). However, in the images presented by the interviewees, unemployment was linked to a number of other social problems, most frequently alcohol problems, mental health problems, poverty, a widening income gap and, eventually, overall social exclusion.

Arja (Journalists): *I think the problem is that work is unequally distributed. This means that money is not distributed equally, and then, what follows is social exclusion, various types of it ... which may lead to increasing crime, domestic violence and hostility towards foreigners ... and to inequality between men and women and between generations ... and so forth.*

In the group sessions, the interviewees were asked to state causes for the problems they considered the most serious ones. The most commonly mentioned causes for unemployment are presented in Table 6.3.

Table 6.3. Some causes for unemployment, according to the influential groups.

	JOURNALISTS		BUSINESS PEOPLE		ADMINISTRATORS	
	<i>HS</i>	<i>Demari</i>	<i>Neste</i>	<i>Nokia</i>	<i>ME</i>	<i>MF</i>
<i>Causes on the level of the individual:</i>						
Lack of motivation	—	—	—	—	—	x
<i>Causes on the national level:</i>						
Extremely free borrowing and lending in the 1980s	—	—	—	—	x	x
Actions of previous governments	x	x	x	—	x	—
Inflexibility of labour movements concerning the distribution of work	—	—	x	—	—	—
Bureaucracy relating to employment; taxes and social security payments	—	x	—	x	—	x
An unemployment security system that does not encourage people to work	—	—	x	x	—	x
Open money markets	—	—	x	—	—	x
<i>Causes on the international level:</i>						
New modes of production	x	x	—	—	x	x
Collapse of the Soviet Union and the effect on foreign trade	x	x	x	x	x	x
World-wide depression	—	x	—	—	x	—
<i>HS= Helsingin Sanomat, ME= Ministry of Education, MF= Ministry of Finance</i>						

As Table 6.3 indicates, causes on the level of the individual, like "lack of motivation," were rarely suggested as the reason for the unemployment problems in Finland. Rather, causes were found on different levels of the society or in international circumstances. In the latter category, most groups tended to list both the collapse of the Soviet trade and

world-wide depression. The turn to a post-Fordist mode of production was also mentioned rather often.

Aila (Administrators): ... *and then, of course, the development of industrial production and the fact that there's been this shift to information technology in the world. Well, that's what takes away a huge amount of jobs, because there's no need for people anymore, the machines have replaced them, the machines do all the work.*

In the category of national causes, the mistakes of previous governments evoked vivid discussions:

Mikko (Journalists): *Wrong choices, wrong politics in general in the political system, in the labour markets and in the whole society ... a sort of inadequate understanding of our time and its phenomena and, generally, of what is happening in the world.*

One of the only notable differences between the professional groups was that welfare state criticism, in the context of unemployment, was strongly present in the discussions of the two groups of business people and the group from the Ministry of Finance, whereas in the other groups this sort of argumentation was not present. The arguments were comparable with neoliberalist criticism against welfare state structures¹. When looking for a cause for the high unemployment rate, these groups pointed a finger at a "bureaucracy that hinders employment," meaning taxes and social security payments, and an unemployment security system that does not encourage people to work.

Jaakko (Business people): *Well, then we have this system of means tested unemployment benefits, which in no way encourages people to work, it was built under different conditions. I don't know how many of the unemployed would accept work even if they were offered some because, if they worked, they would just receive the same income or maybe even a little bit less than if they didn't. Our system does not encourage working. I think that everyone should be guaranteed some kind of a minimum livelihood, but it*

¹ According to an argument often presented by the critics and targeted against the welfare state, the allowances of those outside the labour market are so high that it is simply not profitable for the unemployed to work if the salary falls below the average. On the basis of this, it is feared that the unemployed will rather content themselves with the overextended social security payments than try to look for a job. (Kortteinen & Tuomikoski 1998, 18).

shouldn't be like this, that a system which was built ages ago is kept alive; and the labour union people won't give it up, no way.

As the above quotation suggests, the long prevailing consensus between the government and labour market organisations, which had played an important part in the construction of the Finnish welfare state since the 1960s, was being partly blamed for the economic crisis.

Despite the fact that all the interviewees regarded unemployment as the social problem that most urgently required solution, they seldom offered concrete solutions for it. Occasionally, however, solutions can be derived from an analysis of the suggested causes. This is the case, for example, when the high level of social security is blamed for causing unemployment: the obvious solution would be to dismantle the unemployment benefits system. However, when the interviewees were specifically asked to state who was responsible for the problem of unemployment, the unanimous answer was "the state or the society." Notwithstanding the unfortunate international trends in economy, the state was considered to have an obligation to create social conditions in which everyone could find work. Nevertheless, many of the interviewees predicted that unemployment would stay at the current level and, in most cases, the situation was tacitly accepted.

Aila (Administrators): ... *there is no way back to what you might call a kind of labour-intensive industry, but rather the development will lead towards a system that does not produce jobs, where people will have to find meaning for their life in something else. I suppose the rate of unemployment will stay permanently on a remarkably high level.*

Jorma (Administrators): *Unemployment, as we all know, is not moving in any direction within the next ten years.*

Poverty

In the prosperous Finland of the 1980s, poverty in its absolute form was nearly non-existent by any generally acknowledged measure of poverty. In fact, no other country had reported such low poverty figures as Finland before the depression, in the year 1990 (Ritakallio 1994, 186). Nevertheless, it has been argued that poverty was a social problem in the country; it was kept quiet by politicians who wanted to see Finland as a homogeneous middle-class society (Hänninen 1990, 3). Moreover, as a problem of marginal groups only, it was not directly linked to the labour markets and was consequently not as easily accepted as a public problem as it would have been if it had been linked to the markets (Moksunen 1990, 65). These arguments are consistent with those of Stein Ringen, who has pointed out that welfare states do not acknowledge poverty, as "in a welfare state recognizing or talking about poverty means questioning the functionality of social policy" (Ringen 1987). However, considering the intensity and thoroughness with which the problem of poverty was discussed among Finnish influential groups, these claims do not seem to be quite valid anymore. Explanations for this can be sought in the dramatic changes in the nature and prevalence of the problem.

One way of measuring poverty is to examine the number of people receiving social assistance, which is a last-resort safety net. For a long time, the share of population relying on social assistance fluctuated between 3 and 5 per cent. However, by 1995, the poverty rate in Finland had risen to approximately 10 per cent, whether measured by "absolute indicators," such as relative income, over-debt, involuntary lack of necessities and being the recipient of social assistance, or by difficulties in covering necessary payments. Subjectively measured, the social consequences of the depression seem even

more severe: in the same year, 19 per cent of the Finns defined themselves as being poor (Kangas & Ritakallio 1996).

On the whole, by the mid-1990s, poverty had taken forms that had not been seen in Finland for decades. One of the new concrete indications of poverty was hunger. In the beginning of the 1990s, a study on the consequences of economic depression in Finland revealed that one hundred thousand people had experienced hunger during the previous year (Heikkilä et al. 1994). At the time of the interviews, bread lines in front of Salvation Army offices were receiving wide media coverage. In addition, there were many heavily debt-ridden people among the new poor. This is explained by the fact that, in Finland, households typically live in large dwellings and have student loans; in such circumstances, unemployment can easily lead to poverty (Vähätalo 1994, 19).

In the group discussions, poverty was directly linked with unemployment. Practically all of the interviewees shared the view that poverty was a new and serious social problem. Only a few members of the groups of business people, who defined poverty in strictly absolute terms, would not accept poverty as a social problem in Finland.

Sirpa (Business people): *The Finns do not know what poverty is. Poverty means that you don't have money for food, and people who are that badly off are very few in number in Finland.*

The problem of hunger was also discussed with an amount of scepticism. This came up in comments about the new signs of poverty, the bread lines outside the Salvation Army centres.

Oiva (Business people): *When I looked at the queue on TV when they showed the Salvation Army centre ... I thought, 'a third of them are just outcasts who probably do*

have enough money for drink. They just go there to get free bread.' Then, of course, some of the people are there for a real reason.

This kind of argumentation was, however, exceptional; according to the majority of the interviewees in all groups, it reflects more the past than the present. A few arguments were also presented confirming the existence of absolute poverty. One of the interviewees tried to convince the others with her personal experiences, saying that *"I personally know people who have days when they don't know where they're going to get food."*

On the whole, the problem of poverty was mainly defined using the concept of relative poverty: a person may be considered poor if he/she does not have the resources to live in a similar manner to the mainstream of the population in his/her society.

Timo (Journalists): *It [poverty] is a relative phenomenon, there are always poor people.*

Arja: *That is like straight from the Sermon on the Mount, I mean we don't have...*

Raimo: *Poor.*

Eeva: *We don't have poor people, I mean relatively.*

Minna: *But yes, we are beginning to have them.*

Juha: *Yes we have poor people, but not in classical terms.*

Furthermore, according to the influential groups' relative definition of poverty, a poor person in Finland can be, for example, someone *"who gets paid 20,000 Finnish marks (\$4,200) a month but is left with nothing after taxes, housing payments, student loan repayments and child care expenses."*

The portrait of a poor person in Finland was drawn by comparing the "new poor" to the "old poor." In this distinction, the "old poor" are the poor people of the golden age of welfare states: the deprived, unemployed alcoholics living under bridges or in cabins in the woods. Compared to the past, the group of the poor has become more heterogeneous.

Salme (Administrators): *Poverty can no longer be explained solely by, for example, the level of education. It is, in a certain way, a new phenomenon: in the past, the poor were uneducated and in that way deprived, but nowadays the portrait of a poor person could be anything. In that way, it is a phenomenon that must be faced in a new way, it is interesting to notice that all kinds of new traps have appeared, through which you can become deprived in our society ... and the people who form this group, well, there are very different kinds of poor people; it used to be an extremely homogeneous group, which probably goes some way to explaining why it is now a very difficult problem socio-politically.*

Ultimately, taking into account the influential groups' perceptions of unemployment and poverty as well as the problems created by these, such as the widening gap between the rich and the poor and overall despair and deprivation, we discover a problem of *social exclusion*. In addition to material deprivation, the concept of social exclusion refers to the inability of the poor to fully exercise their social, cultural and political rights as citizens (Virtanen 1995, 76). Both in the background and parallel to the discussion on unemployment and poverty, there was often concern that a large and permanent group of socially excluded people was emerging. This anxiety, together with the fact that, without exception, poverty was considered to be the state's responsibility, reflected a longing for good old welfare Finland.

Aila (Administrators): *When you follow the development of this world through three children, I think that through them you can see very clearly how this division between the better-off and the worse-off is taking shape already at school. It is very sad, in a class of 16-years-olds you can see very clearly who will become deprived, who will succeed and who will not. There should be a number of ways to make these people, who are not managing their lives so well, active and satisfied citizens of the society.*

Environmental pollution

In the influential groups' ranking of social problems, environmental pollution was placed high on the agenda in every respect: it was among the problems that were the most serious, the most urgent and, in addition, visible in the local environment of the

interviewees. All groups were also unanimous in their opinion that environmental pollution was a problem that was solely the responsibility of the state (Appendix 6.1, Table 2). One reasonable explanation for this has been provided by Ulrich Beck (1992), according to whom environmental risks differ from most other social problems in that they cannot be controlled locally, temporarily or socially. They are often invisible, and their nature is determined by complex causal chains, which is why it is difficult to pinpoint their individual causes. The interviewees also often pointed to the fact that environmental problems go beyond social and national borders.

Sirpa (Business people): *It comes across the border, pollution I mean.*

Leo: *Yes.*

Irja: *Exactly, because it does not recognise borders.*

Altogether, as a social problem, environmental pollution falls in a different category than unemployment and poverty. Firstly, unlike any other social problem, it was regarded as a problem that had a personal bearing upon the lives of the interviewees and their families. Secondly, environmental pollution was not considered to be caused by internal factors or policies, but by global factors or, more specifically, by the "devastating state of the environment behind the eastern border." Furthermore, in the light of the Estonian and Russian data, it seems that environmental problems become an issue when they are defined as a social problem by those who "can afford it," i.e. by those who do not have to struggle for everyday survival. This view is supported by Ilkka Ruostetsaari's study on the Finnish power elite. Ruostetsaari suggests that the elite is more concerned about environmental problems than is the general public (Ruostetsaari 1992, 292). It could, of course, be argued that the elite is simply more aware of environmental concerns. Nevertheless, at least at the level of attitudes, Finns in general are well aware of environmental protection and pollution. This was illustrated in a 1994

public opinion survey which showed that, although environmental problems lagged far behind the top issue of unemployment, they were ranked as the second most serious problem facing Finland (Järvinen 1998, 155).

Some researchers have argued that environmental problems receive less attention at a time of economic recession than they would at a time of economic growth and prosperity. However, this claim is proved wrong by the perceptions of the influential groups and the perceptions of the public at the time of recession, together with the views of the leading Finnish newspaper in the prosperous years of 1985-1992. In Finland, regardless of the state of the economy or the agenda of claims-making, environmental problems have always been defined as serious social problems.

6.4 Assuming responsibility: legitimacy and future of the Finnish welfare state

It has been argued that, in today's Finland, there are two ways of speaking about the welfare state: neoliberalism and welfare ideology. These ideal types of argumentation patterns are often related to a large-scale change in values. In other words, they reflect the values of two differing epochs. Welfare ideology, which emphasises the state's role in organising welfare for its citizens, is an expression of the past, while neoliberalism, with its emphasis on individualism, is seen as reflecting the time to come. (Jallinoja 1993, 20). One of the main arguments of neoliberals, as regards the welfare state model, is that excessive care of people restricts and discourages initiative. In its most radical form, neoliberalism supports the idea of the state as a "night watchman," whose only task is to guarantee the continuity of free economic competition (Niiniluoto 1993, 116). In welfare discourse, the existence of these two conflicting ideologies has led to a

setting where the state and the individual stand in sharp contrast to each other (Jallinoja 1993, 49).

In the group sessions, the legitimacy and future of the Finnish welfare state entered the discussion when the interviewees were asked to take a stand on two imaginary scenarios of the future prospects of social policy (see Chapter 5). When outlining their preferred and/or most probable visions for social policy, the groups took different paths. One third of the interviewees followed mainly the welfare road, strongly supporting the status quo model and wanting the responsibility for social problems to lie on the shoulders of the state. Another third, consisting mostly of business people, ended up supporting a model of social policy in which the responsibility was transferred from the state to individuals, to civil society and to the markets. The remaining third opted for "something in between," or, as one of the interviewees named her vision, "*a postliberal companionship society*."

The most adamant supporters of the status quo welfare model were found in the groups of journalists and the group from the Ministry of Education. According to their view, the Finnish welfare state is so deeply rooted in the society that, even with the depression shaking its foundation, no one would seriously want to break it up. The discussions on social problems did reflect the welfare ideology on many occasions, especially when dealing with problems relating to social exclusion. The tendency was also apparent in discussions on housing problems: they were defined through referring to the importance of maintaining the Nordic standards and the state's responsibilities:

Antti (Journalists): *A young couple with two or three kids, they cannot afford to buy an apartment, or even rent one, especially in this situation where we are now, and if one of*

them is unemployed ... and we also have hidden homelessness, because we live in overcrowded conditions.

Simo: What are the housing problems exactly? In many other countries, people live in the streets and in slums ... then the problem here is the fact that we are cramped for space, right?

Jarmo: Yes.

Antti: Yes, partly it is just that.

Jarmo: Well, what is the recommended Nordic level, 24 square metres per person? We'll never have that.

The journalists and the administrators from the Ministry of Education wanted to emphasise the importance of maintaining the state's welfare structures; in the groups of business people and, for the most part, in the group from the Ministry of Finance, the main arguments were consistent with neoliberal or conservative welfare criticism. In this argumentation, the Finnish welfare state is seen as the over-extended, overly paternalistic, economically impossible producer of faceless and inflexible welfare: to put it succinctly, the Finnish welfare state has met its limits of growth. In both groups of business people, the process of constructing their preferred social policy plan was very similar. They started the discussion with strong criticism of the present "over-extended" model, which occasionally also became a subject of jokes, as the following quotation from the discussion on homelessness shows:

Oiva (Business people): Let's offer them an apartment with three rooms (laughter).

Sirpa: And VCRs.

Pasi: At least 50 square metres per person.

Sirpa: ... like for the Somalis.

However, when the threats of the extreme liberal model were brought up, the tone of the arguments began to change. Both groups of business people rejected the so-called "American model."

Leo (Business people): Well, maybe this second scenario is too close to the other extreme, it's like this system in America where...

Sirpa: Yes, exactly, an American model which means expensive insurances, and if you can afford them that's fine, but if you can't...

Leo: *The ones who can afford it have insurances but the ones who cannot, well, they live in slums then.*

Sirpa: *And that is not good for anyone.*

Leo: *Kids shoot at each other 'cos there's nothing more exiting to do.*

Sirpa: *Then there are guns, and those who have money must fear for their lives all the time or be afraid of being robbed, no that's not good.*

Leo: *And the aged will have to move to these kind of fenced and guarded reservations...*

The Finnish and generally Scandinavian welfare models were frequently compared to the American model in all groups. The US was generally seen as a salutary warning example of the consequences of an extreme liberal welfare policy.

Aila (Administrators): *We should pay attention to welfare state criticism when it is about overcaring, ineffectiveness and stagnation, but the helpless must be helped, for human reasons, even if this help does contain the selfish idea about social peace. If we don't take care of the deprived, then a North American type society provides us with plenty of bad examples of what can happen. One deprived person can cause so much destruction that the costs of repairing it would pay for a great number of socio-political measures.*

In spite of their neoliberal tendencies, even the critics wanted to preserve existing welfare structures to the extent that they would guarantee a minimum level of security and social assistance. Eventually, they ended up favouring a social model in which individuals and families had more extensive responsibilities but which still provided security for those with no private safety net.

Riitta (Business people): *The society should be a kind of safety net that catches the ones falling from the trapeze, but everyone should try to climb up there by him/herself.*

Terttu (Business people): *... In the USA, well, there nobody takes responsibility if not the family. There aren't any civil organisations, and so you really are left living under the bridge ... of course we all agree that, under extreme circumstances, the people who are in the worst situation will have to be picked up, and if they don't have relatives or any other connections, then of course they will have to be brought back to the society and a life worth living.*

This example brings forth the idea of transferring the responsibility for dealing with social problems to civil society. However, the vision where civil society was seen as the

provider of welfare was commonly rejected quite strongly. Among the supporters of the status quo welfare model, the usefulness of a civil society model was denied on ideological grounds. The core of the argumentation was that *"civil organisations and relatives will never be able to provide welfare to the same extent and as equally as the state."* The civil society was not mentioned once as the preferred provider of welfare. The family's responsibility to look after its members was only emphasised in the groups of business people. According to the argumentation, families should teach their children the right values and attitudes: the values would then supposedly save them from facing such social problems as drugs or alcohol and the attitudes would keep them from having problems elsewhere, for example among foreigners. Otherwise, no one predicted a rosy future for an active civil society in Finland.

Rauni (Administrators): ... *But when I think about the notion that the help of relatives, friends and pals would be close at hand ... well we have become alienated from it in the Finnish society ...*

Aila: ... *Maybe we will have to divide the responsibility but we can't give the responsibility for treating social problems to civil society.*

Maija: ... *It's interesting how this number two scenario is depicted as a great and wonderful thing, using ultra-positive terms like opening doors for the voluntary welfare infrastructure and civil society and you name it (laughter).*

The preferences of the interviewees did not always go hand in hand with their predictions for the most probable model. Altogether, the interviewees shared the view that the cornerstone of the ongoing transformation was increasing differentiation and individualisation. In terms of the economy, no elements were seen as improving and great catastrophes were envisioned for the future, but these trends were not considered fatal to the basic structures of the Finnish welfare state. In all the groups, the prevailing perception was that Finland was slowly moving towards a more liberal model of welfare policy. However, divergent ideas were presented about the pace of change. In the groups of business people, it was suggested that nothing much would happen in the next

20 or 30 years. For them, the pace of change was unsatisfactory. They saw themselves as standing in the opposition, and blamed the social structures and the attitudes of the Finns for preventing any dramatic turns in the society. The other groups, regardless of the personal preferences of their members, felt that economic necessity, accompanied by changes in production modes, would gradually develop the Finnish society in a more individualistic direction.

Salme (Administrators): *This is just an imaginary vision about the direction we are heading in, and what affects it a great deal is that there are these values emphasising individuality at this point of time in the society and then there are also these realities concerning the number of productive citizens, which is diminishing. This means that the problems must be solved in different ways than before. And then, when you add to this the poor state of the economy, to which there are no solutions yet, it seems like we are moving in that direction [towards a more liberal model] but it will be connected with the existing foundations of the welfare state.*

6.5 Conclusion: no end of the line for welfare - yet

In Finland, the period of recession meant a re-evaluation of the principles of the welfare state. The conservative-led government, together with a leading Finnish newspaper, repeatedly argued the economic necessity of cutting back social expenditure. In the academic discourse, the time of change was described using terms such as "Tragedy of the welfare state" (Eräsaari & Rahkonen 1995) or "Welfare state at the crossroads" (Anderson et al. 1993). It was even argued that modern welfare state ideology was particularly weak in Finland. According to Pekka Sulkunen, this is partly due to the fact that the Finnish welfare state is relatively young compared to other welfare states and, consequently, its institutions are not part of the national identity to the same extent as in,

for example, Sweden (Sulkunen 1993, 225). Altogether, these "crisis- speeches" suggested a radical change-over from welfare society to a more liberal one.

The researchers behind the newspaper study presented at the beginning of this chapter predicted further changes in the framework of defining social problems (Lagerspetz & Hanhinen 1994). Considering that *Helsingin Sanomat* is, by far, the most important newspaper in Finland, and especially that it is the number one newspaper for decision-makers (Klemola 1981), one could have expected to find some similarities between the definitions of social problems in the two different arenas, i.e. in the newspaper and in the perceptions of the influential groups in this study. However, this did not turn out to be the case. Unlike *Helsingin Sanomat*, the influential groups were deeply concerned about the social problems of marginal groups, such as long-term unemployment and poverty.

Contrary to expectations, the results suggest that, despite the neoliberal tones in the speech of some of the interviewees, the welfare state hegemony has by no means lost its significance in the framework of defining social problems. It should be noted, however, that this situation varies slightly depending on the problem or group in question. On the basis of the influential groups' perceptions of unemployment, one could argue that the importance of the welfare state hegemony is diminishing: even though unemployment was unanimously ranked as the number one social problem in Finland, the interviewees tacitly accepted that, in the era of a globalising economy and post-Fordism, unemployment would remain at a considerably higher level than in the golden age of the welfare state. Nonetheless, causes and solutions were sought rather on a societal level than on the level of the individual, for unemployment as well as many other social

problems, and the importance of maintaining the "Nordic level" in solving social problems was frequently referred to. In addition, the fact that poverty and increasing inequality were defined as social problems in need of urgent solution suggests that *social citizenship*, an integral part of welfare state hegemony, was still highly valued - excluding the goal of full employment.

As discussed in Chapter 4, with regard to differences between the groups, employees in the public sector could have been expected to be in favour of welfare state structures, at least more so than private sector employees. In Finland, this was indeed the case, especially as concerns the civil servants in education. Their support for the welfare state can, at least partly, be explained by the fact that public education is one of the cornerstones of the Finnish welfare state. Furthermore, welfare arguments prevailed especially in the groups of journalists. As concerns the journalists from the leftist newspaper, *Demari*, this is hardly surprising. The journalists from *Helsingin Sanomat*, however, turned out to be far less neoliberal in their opinions on the welfare state than could have been expected in the light of previous studies (e.g. Hanhinen 1994).

In spite of the fact that all of the interviewees were more likely to be on the financing end than the receiving end of social welfare, consistent welfare state criticism was only present in the discussions of business people. The argumentation of some of the interviewees resembled that of neoliberalism when it is weighed against traditionalism, i.e. when it means promoting market forces and individualism (Giddens 1994). This was particularly true in discussions about unemployment, but some members of these same groups were also very sceptical about the existence of poverty in Finland. However, when talking about overall social policy, even the business people showed considerably

less tendency to criticise the welfare state. Altogether, the results of this study suggest that the influential groups, and supposedly also the Finnish power elite, are still relatively homogeneous as concerns their support of the welfare state (see Chapter 4: Ruostetsaari 1992).

The welfare state hegemony is also apparent if we consider the influential groups' perceptions of the role of civil society. The communitarianism that, according to Nicholas Rose (1997), "promises a new moral contract, a new partnership between enabling state and responsible citizens, based upon the strengthening of natural bonds of community" only found articulation in the views of a few interviewees in the groups of business people. In the main, the influential groups agreed with the general public in their perceptions of the role of civil society as a provider of welfare. According to public opinion surveys conducted in 1992 and 1996, Finnish people are reluctant to see voluntary organisations take on a more prominent role in the production of welfare (Forma 1998, 7).

On the whole, in considering the Finnish influential groups' perceptions of social problems, one should bear in mind that the group interviews were conducted at a time when the unemployment rate was at its highest and the other "dramatic" social consequences of the recession, such as bread lines, were daily topics in the media.

The results of other studies, conducted after the worst of the depression was over, indicate that no significant changes have occurred in the prevalence of most social problems. The fluctuating unemployment rate is a notable exception. The suicide rate has, in fact, been decreasing since 1990, and there has been no increase in other

psychosocial problems like morbidity, mortality, alcohol consumption or crime (e.g. Kautto & Heikkilä 1998, Kortteinen & Tuomikoski 1998, Uusitalo 1998).

Nevertheless, it is very evident in the light of the data that, regardless of widespread welfare criticism at the turn of the decade, the *public debate* on social problems at the time of the interviews has strongly affected the perceptions of the influential groups². With the exception of environmental problems, most social problems, including unemployment, poverty, increasing inequality and their outcome, social exclusion, were blamed on the recession.

As concerns social exclusion, conflicting results have been obtained in other studies. On the one hand, many have argued that claims about the polarisation of society are groundless, at least for the moment. On the other hand, the results of a recent study indicate clear increases in income differentials and relative poverty (Uusitalo 1998). Moreover, according to a study on long-term unemployment, in 1996 there were a total of some 30 000 people in the labour force who were out of work, who were poor and who had some disease which adversely affected their capacity to work (Kortteinen & Tuomikoski 1998). Similarly to the predictions of the influential groups, these studies suggest that poverty and inequality will increase in the near future and that there is a rising new proletariat, consisting of the marginal group of the long-term unemployed.

² Also Forma has pointed out that although changes in the macro-level of society, such as increasing unemployment or state debt, are undoubtedly significant as concerns opinions on the welfare state, their effect upon the people's perceptions is not necessarily very direct. A more important factor might be the public debate on these changes as it creates a context against which people can consider their own attitudes towards the welfare state. (Forma 1998, 35).

The phenomenon of social exclusion is undoubtedly less severe in Finland than in Estonia and Russia. However, even in Finland, it can be explained with the concept of *anomie*. Following the ideas of Durkheim, economic and social relations, together with moral codes, are the factors that unite communities. Furthermore, the social relations are regulated by values, rules and responsibilities which define what is right and reasonable. According to Matti Kortteinen and Hannu Tuomikoski, in the Durkheimian tradition, social exclusion can be defined as a process in which an individual loses his/her trust in the significance of these values and rules. In the end, a situation of *anomie* produces something that the researchers call *social distrust* which grows, for example, with the lengthening of one's period of unemployment (Kortteinen & Tuomikoski 1998, 102-104).

To sum up the results as concerns the future of the Finnish welfare state, the interviewees shared the view of welfare theorists that, as the currently popular phrase so aptly puts it, "there is no turning back." The "crisis" or transformation of the welfare state was recognised mainly as something referring to the crisis experienced in state expenditure. Moreover, the ongoing transformation was connected with a more general individualisation process, a gradual polarisation of society, and with changes in the forms of production, meaning a further increase in information technology.

In the end, however, the change-over to a more individual-oriented society does not seem very dramatic. The influential groups did not point to any overall "disillusionment with big state solutions to social problems" (Leonard 1997) or to a thorough crisis of state legitimacy. Rather, they shared the view that the Finnish society may be in a state of transformation, but the welfare state has not yet "passed away" or "ended," and it

will take decades before it does – if it ever does (cf. Hanhinen & Törrönen 1998, 83). The future is left open, but many of the interviewees seemed to agree with Pierson's (1998) argument that the most difficult and the most political decisions about welfare lie in the future.

APPENDIX 6.1

Table 1. Influential persons' perceptions of (A) the most serious social problems in Finland, (B) the most serious social problems in the respondents' places of residence, (C) social problems that affect the lives of the interviewees and their families, (D) social problems that most urgently should be solved in Finland. (Number of mentions in questionnaire).

	A	B	C	D
Crime against person	6	10	5	3
Domestic violence	4	2	-	-
Drug abuse	6	6	-	1
Drunkenness and alcoholism	7	5	1	2
Economic crimes	13	8	-	11
Environmental pollution	17	8	8	16
Ethnic problems	3	1	1	5
Homelessness and poor housing conditions	6	5	1	4
Inequality between men and women	3	1	2	1
Poor health of the population	1	-	-	-
Poverty	14	6	1	12
Problems caused by smoking	-	-	1	-
Problems relating to income security and availability of social services	7	4	-	9
Prostitution	-	-	-	-
Unemployment	42	35	4	43
"None of these problems"	-	2	20	-

Table 2. Responsibility for taking care of social problems: State (S), Individuals (I). Summary of the perceptions of the influential groups in Finland.

	JOURNALISTS		BUSINESS ADMINISTRATORS PEOPLE			
	<i>HS</i>	<i>Demari</i>	<i>Neste Nokia</i>		<i>ME</i>	<i>MF</i>
Crime against person	I,S		S	S		I
Domestic violence	I	I	I	I	I	I
Drug abuse	S	I	I,S		I,S	I
Drunkenness and alcoholism	I,S	I	I	I		
Economic crimes		S	I		I,S	
Environmental pollution	I,S	S	S	S	S	S
Ethnic problems	S	S	S	I,S	S	S
Homelessness and poor housing conditions	I,S	S	S	S		
Inequality between men and women				I	S	
Poor health of the population	I		S	I,S		S
Poverty		S				
Problems caused by smoking	I	I		I	I	I
Problems relating to income security and availability of social services				S	S	S
Prostitution	S				I	
Unemployment		S	S		S	

HS= Helsingin Sanomat, ME= Ministry of Education, MF= Ministry of Finance

CHAPTER 7. SOCIAL PROBLEMS IN SOCIAL CHANGE – COMPARING ESTONIA, RUSSIA AND FINLAND

In this final chapter, I will summarise and compare the results from individual countries. The first comparison concerns the influential groups' perceptions of social problems across Estonia, Russia and Finland. From a social constructionist point of view, this comparison aims at answering the question of "why particular issues become defined as social problems in some societies but not in others?" One of the significant similarities between the countries was that poverty was defined as one of the most serious social problems in each country. However, there are differences between countries in what the influential groups mean by poverty. I will therefore, after discussing social problems in general, take a closer look at the definitions of this particular social problem.

The second comparison concentrates on influential groups' perceptions of social policy. The focus is on one of the main results of the study, namely the fact that, in Estonia and Russia as well as Finland, the state was still regarded as the main body responsible for people's welfare. In the case of Estonia and Russia, where the socialist legacy played a crucial role in the interviewees' perceptions, this brings forward the significance of cultural transformation and also the question of the applicability of path-dependency transition theories. At the end of the chapter, I will take the influential groups' perceptions of social problems and social policy as a starting point for discussing the possible course of social policy in Estonia, Russia and Finland.

7.1 Social problems from a comparative point of view

Social change as the determining factor behind perceptions of social problems

The main assumption in this study of influential groups' perceptions of social problems in Estonia, Russia and Finland has been that, in all of the countries studied, the framework of defining social problems is changing in a direction where the state's role as the responsible body for people's welfare diminishes while more emphasis is put on individuals, the market and civil society. In addition, the comparative setting is based on the idea that similar tendencies of social change, in this case the rise of neoliberalism and individualism, the rebirth of civil society and the reconstruction of citizenship rights, lead to similar types of changes in the framework of defining social problems, despite the profound differences between the Eastern transition and Western transformation.

However, contrary to expectations, the results indicate that the change towards a more individual-oriented society is far less dramatic than could have been expected on the basis of the theoretical considerations. For example, as concerns definitions of the most serious social problems, such as crime and poverty in Estonia and Russia and unemployment in Finland, it is noteworthy that these problems were unanimously accepted as problems for which a solution was required on the level of society. In fact, issues defined purely as the problems of individuals or as the inevitable price of transition or transformation were very few in number.

This result can partly be explained by the fact that the "state" or "welfare state hegemony" is still fairly strong: for many social problems, the cause is in the society,

and solutions are sought from the state's welfare organisations. If we concentrate only on perceptions of the most serious social problems, another explanation presents itself: the transition and transformation experiences proved to have had a profound impact on the influential groups' perceptions.

To some extent, the conclusion that the perceptions of influential groups are guided more by the social consequences of transition or transformation than by the suggested new values disproves the assumption that the influential groups, who are the leaders of social change, are also among the first to internalise the new values. It is true that these new values, like the rise of neoliberalism and individualism, and old values now presented as new values, like the spirit of enterprise in Estonia, did figure in the influential groups' perceptions, especially when it came to issues of social policy. However, according to my interpretation, the new values are currently "beneath the surface;" the sudden change and its dramatic social consequences have temporarily moderated them.

In Estonia and Russia, the social problems of crime against person, poverty and poor health of the population and housing problems all had definitions that were tightly linked with the transition. The "number one problem" - crime against person or property - is a particularly good example of a social problem that reflects the feelings of insecurity caused by the heavy social costs of transition. It is the sudden rise in crime that causes anxiety; crime is no longer a marginal concern, an exceptional incident in people's lives, but an ever-present possibility (cf. Young 1999, 36).

In addition to feelings of insecurity, the influential groups in Estonia and Russia mentioned the economic and political costs of the transition, misguided social policy and the legacy of socialism as the main causes for the vicious circles of social problems. If misguided social policy is a very concrete explanation for the social ills experienced, the socialist legacy and the state of anomie can be seen as psychological factors behind the social problems. It was the opinion of the influential groups in Estonia and Russia that poverty, for example, originates in people's inability to adjust to changes in their lives. In addition, the lack of a new moral order or social control was often mentioned as one of the main reasons for the increasing crime rates. As Jock Young so aptly puts it, "crime is caused not so much because a world has been lost as because a new world has not yet been gained" (Young 1999, 52).

In Finland, it was the depression, with its social consequences, that affected the influential groups' perceptions of social problems the most clearly. Much as in Estonia and Russia, perceptions of the most serious social problems, especially those of unemployment and poverty, can be explained by a dramatic and sudden change in their prevalence. Environmental pollution is an exception to the rule.

Along with the immediate consequences of the recession, the Finnish influential groups brought up wider social changes as causes of social problems. For example, unemployment was seen as one cause of the world-wide depression and the collapse of Soviet trade. In addition, the interviewees referred to the turn to a post-Fordist mode of production, increasing information technology and their consequences to Finnish labour markets.

On the whole, when it comes to the causes of social problems, there is a significant difference between the countries compared: in the opinion of the Finnish interviewees, the causes of different social problems were individual things, while the influential groups in the post-communist countries identified only a few causes and those were felt to cover the whole field of social problems. For one thing, this speaks of the all-inclusiveness of the Eastern transition.

Nonetheless, social change is the factor that determines which issues become defined as social problems. This is one of the main results of the comparison. There were very few cases where a social problem could not be explained by the transition or transformation experience. One example is environmental pollution in Finland, regarded very much as a global and ever present social problem. Another exception to the rule was the declining birth-rate in Estonia. On the one hand, this problem was related to the feelings of insecurity caused by the transition, and the definition of the problem was supported by official statistics. On the other hand, as suggested in Chapter 5, this is a nation-specific problem that can partly be explained by historical and cultural factors: in this case, by strong nationalism.

The striking similarity between Estonia and Russia, as concerns perceptions of the most serious social problems, has already been emphasised. What makes the impact of social change on perceptions of social problems so important is its explanatory power, whatever the pace of social change and whatever the type of social change in question.

Another noteworthy observation, also related to transition and transformation, is the fact that the heavy social costs seemed to have come more or less as a surprise in all of the

countries studied. Consequently, one can conclude that *sudden experienced increase in a particular socially undesirable phenomenon makes it a social problem*. In this sense, the time of the interviews was quite unique; for all the countries, the years 1995-1996 were a time when the "dark side" of the social change truly started to emerge. Therefore, results obtained today could be very different. Some of the social problems might, for example, have been accepted as part of normal everyday life, even if there had been no change in their prevalence.

However, the results of individual case studies also indicate significant differences in how influential groups experienced the transition or transformation. Firstly, as pointed out in Chapter 5, the main difference between Estonia and Russia is that, in Estonia, most of the serious social problems were defined through personal experience whereas, in Russia, the interviewees seemed to have been able to keep their distance from the problems afflicting the majority of the population. The same was true in Finland, where the influential groups themselves were not affected by the social problems. However, compared to their Russian counterparts, the Finnish influential groups were perhaps more eager to emphasise their deep concern about the problems of new marginal groups and about the polarisation of society in general. In addition, as concerns assigning responsibility for social problems, in Finland the state was much more often the personal favourite. According to my interpretation, one reason for these differences is the state of democracy: it is fairly easy to imagine that the Finnish influential persons see a functioning welfare state as an integral part of advanced democracy. Furthermore, although the influential groups in each country had a wide perspective on social issues, in reality they might each face differing expectations concerning how well informed they, due to their social position, ought to be about the sentiments of other citizens. As

remarked in Chapter 5, influential groups in Russia do not necessarily share the kind of values normally related to advanced democracies, nor do they face similar role expectations.

The pace of change also differs between countries. Generally speaking, the transition is much slower in Russia than in Estonia. In this study, this is evidenced by the result according to which the socialist legacy is stronger in Russia than it is in Estonia, where the transfer away from the state-controlled social security system is expected to be more rapid. It is difficult to compare the pace of change across Eastern and Western countries on a wide societal level. It should be noted, however, that the social change in Finland seems to be much slower than the theories of transformation would suggest. It is also slow compared to the pace of change in many other Western welfare states. To summarise the findings of this study: in the case of Finland, one can by no means speak about the dismantling of the welfare state.

The social change has been more profound in Estonia and Russia than in Finland, in all respects, and the same is true about the change in the framework of defining social problems. This is related to a complete change of actors who have the power and the interest to define social problems. Also, the agenda of concerns has changed more profoundly than in Finland. In this sense, there seems to be more continuity in Finland, where the welfare state hegemony still has a vast impact on perceptions of social problems. In the 1980s, hardly anyone would have mentioned unemployment or poverty among social problems afflicting Finland, for the simple reason that these problems were almost non-existent, measured by any standard. Nevertheless, both are issues which were - and still are - regarded as problems that the welfare state is responsible for

preventing and treating. In Estonia and Russia, the transition has created an entirely new set of concerns that are seen as arising from completely new societal circumstances; due to this, they have no history as "established public concerns."

Another way of making the differences between the countries visible is to compare perceptions of social problems with the help of "temporal frames" that determine the definitions of social problems. According to Simpura and Tigerstedt, in temporal frames, the question is whether the problems are seen as a legacy of the past (e.g. the Soviet legacy), as an acute issue of the present (e.g. friction in the change), or as a future threat. (Simpura & Tigerstedt 1999). When the influential groups' perceptions of social problems are organised along these criteria, it emerges that the future is much more on the agenda in Finland than in Estonia or Russia. This is evident in the Finnish influential groups' definitions of environmental pollution, poverty and unemployment, all of which were regarded as present-day problems, but also as problems of the future; the interviewees were very worried about environmental problems likely to face future generations; they predicted that unemployment would stay at a relatively high level, and they spoke of an increase in poverty and inequality in the Finnish society. In Estonia and Russia, all social problems, except for the declining birth-rate and drug abuse in Estonia, were regarded as acute issues of the present without any discussion of what might happen in the near future. The all-inclusiveness of the Eastern transition again presents itself as a simple explanation for this difference; another probable explanation is the fact that people are so pre-occupied with their necessary adapting to sudden changes that there is a lack of long-term vision.

These examples give us some idea about how differently social problems can be perceived, depending on the social context. This, in turn, takes us back to one of the main questions posed by social constructionists, namely "why particular social problems become defined as social problems in some societies but not in others?"

In this study, the question is particularly relevant in the case of unemployment, which was defined as the most serious social problem in Finland but hardly mentioned at all in Estonia and Russia. This result is somewhat surprising against the background that the social contract between the state and the citizens had been demolished in all of the countries studied, at least as far as the goal of full employment was concerned.

One possible explanation can be found in official statistics: the unemployment rate at the time of the interviews was nearly 18 per cent in Finland, while in Estonia it was 9.7 per cent and in Russia 8.3 per cent (Statistical Yearbook of Finland 1999). It should be noted, however, that the official figures for Estonia and Russia are probably underestimates, since both countries calculate unemployment using the number of people registering as job-seekers; due to very low levels of unemployment benefits, many people do not bother to register.

Another explanation is the very sudden and dramatic increase in unemployment that occurred in Finland at the turn of the 1990s. In the 1980s, Finland was a real "work" society where unemployment rates were below the average OECD level (Blom et al. 1998, 107). In addition to the dramatic rise in unemployment figures, there was a significant change in the public image of the unemployed. Although Estonia and Russia, unlike most of the other transition countries, have not experienced a rapid and dramatic

rise in unemployment, there has been a remarkable change in the prevalence of unemployment. One might thus also suggest that the actual change in job opportunities was experienced as more severe in Finland, because a high work ethic and an attitude that "there is always work for those who are willing to do it" have traditionally been strong values there; in post-communist countries, work did not have a similar status-value during the time of state socialism.

The example of unemployment illustrates the importance of knowing the context when analysing definitions of social problems. Contextual constructionist analysis, taking as its starting point the assumption that knowledge of social conditions may help to explain why particular claims emerge in the way they do, proved useful in this study. Considering the socioeconomic situations of Estonia, Russia and Finland, the interviewees' perceptions of the most serious social problems came up to expectations. However, the strong relationship between social change and perceptions of social problems came as a surprise. In order to analyse this relationship more thoroughly, it would be helpful to be able to compare the results with those of other studies. It is regrettable that this cannot be done at this time, due to the lack of studies conducted in comparative research settings in a time of profound social change.

However, as concerns comparative studies, it can now be confirmed that incorporating knowledge of social conditions into the analysis is particularly important in a comparative research setting in which one needs to take into account various kinds of contextual factors in order to explain the similarities and differences between the countries compared. In addition, I would like to stress how crucial it is, in comparative analysis, to pay attention to the "contents" of problem definitions. In this study, this was

crucial in examining the two significant similarities across Estonia, Russia and Finland: in all three countries, environmental pollution and poverty were among the problems perceived as the most serious.

In comparing perceptions of environmental pollution, it became very obvious how differently the problem was constructed in different countries. In Estonia and Russia, it was part of the vicious circle of social problems, with several links to the problem of poor health. In Finland, environmental pollution was not considered to be caused by internal factors or policies but merely by global factors, especially the "devastating state of the environment behind the eastern border." In other words, what is important here is the contrast between "local" and "global" problems. However, this was the only occasion where the globalisation process played a part in any problem definition or where the influential groups referred to any other country of the study. One can thus conclude that the influential groups did not support the common view that the opening of borders has exposed countries to problems originating abroad (e.g. Miller & Wolchik 1994, 27), at least as concerns the most serious social problems.

Compared to environmental pollution, the issue of poverty was debated quite thoroughly. The concept of poverty is many-sided, and thus a more detailed examination is necessary before the definitions of poverty can be compared. We also need to address the question of "to what extent the influential groups are talking about the same thing when they talk about poverty."

The social construction of poverty: from absolute poverty to social exclusion and declining social capital

Pete Alcock has noted that it is a difficult task to compare the extent of poverty across different countries and political discourses, because what is understood by poverty, and who should be counted as poor, is likely to be very different in countries with differing political and economic circumstances and histories. In addition, like any other social problem, poverty is not a simple phenomenon which we can learn to define by adopting the correct approach. It is a series of contested definitions and complex arguments which overlap and, at times, contradict each other. Poverty can be a big phenomenon or a small one, a growing or a declining issue, an individual's problem or a social problem. Therefore, in understanding poverty, the task is to understand how the different perceptions overlap, how they interrelate and what the implications of different approaches and definitions are. (Alcock 1993, 4, 14).

In Estonia, Russia and Finland, poverty was regarded as one of the most serious social problems and an issue which had become increasingly permanent in nature. If we look at the "history" of defining poverty, these countries resemble each other in the sense that, as little as a decade ago, the common perception was that there was almost no poverty, whatever the actual situation. Furthermore, in Soviet countries, the problem was ignored for political reasons; some say that, to some extent, this was also done in Western welfare states.

However, in comparing the influential groups' perceptions of poverty across the countries, one can distinguish many different forms and meanings of poverty. First of all, the extent of poverty varies considerably. In Estonia and Russia, poverty was seen

as a problem that affected all levels of society, and in Estonia the interviewees themselves had difficulties in subsisting. In Finland, poverty was mainly regarded as a problem of the new marginal group of long-term unemployed.

Even while singling out poverty groups, the interviewees were very concerned about the increasing inequalities in their societies, especially in Estonia and Finland. Thus, poverty as a social problem was not defined only in terms of low incomes; it was also seen as a more complex social phenomenon. Furthermore, part of the definition of poverty in Estonia and Finland was that the interviewees rejected the existence of absolute poverty but recognised new forms of poverty which, in my opinion, can best be captured with the concept of social exclusion.

Social exclusion is part of a "sophisticated" new vocabulary developing around the subject of poverty. According to Hartley Dean and Margaret Melrose, this vocabulary avoids the controversial and image-laden discourse of poverty by concentrating on the effects of polarisation (Dean & Melrose 1999, 30).

The idea of social exclusion was invented by UNESCO and EU researchers who wanted to direct attention to the social mechanisms that produce or sustain deprivation. Some of the uncovered mechanisms have been relatively new, such as the declining demand for unskilled and semi-skilled workers. However, it still remains somewhat unclear how the concept of social exclusion should be interpreted. The concept has been seen as a means of trying to "sweep uncomfortable facts under the carpet:" the question posed by the critics is "why talk of exclusion when what is really meant is poverty and deprivation." (Giddens 2000, 104).

Nevertheless, there are some clear differences between the concepts of poverty and social exclusion. Firstly, poverty is taken to be a narrow concept dealing with problems that are directly related to economic resources, while social exclusion deals with a broad range of questions relating to an individual's integration into society. Secondly, poverty is seen as a static phenomenon, covering people's economic situations at one point in time, while social exclusion represents a dynamic perspective focusing on the processes that lead to a situation of exclusion and, for that matter, poverty. (Halleröd & Heikkilä 1999, 189).

According to Giddens, social exclusion refers to mechanisms of social, economic and cultural separation and to circumstances that affect more or less the entire life of an individual. For example in the case of undesirable urban areas, exclusion can take the form of physical separation from the rest of the society. In other instances, it may mean lack of access to normal labour market opportunities. (Giddens 2000, 105).

In fact, in theorising the concept of social exclusion, exclusion is commonly linked with unemployment and not so much with poverty. In other words, exclusion and marginalisation are mainly constructed as exclusion from and marginality to paid employment, and integration into society is elided with integration into work. The basic skills essential for integration into society and working-life include mastery of basic knowledge and skills of a technological and social nature, i.e. the ability to develop and act in a complex and highly technological environment. However, as Ruth Levitas has pointed out, there is a theoretical danger in this notion because even those in work may experience poverty: an expansion of part-time work, together with a downward widening of the scale of wage inequalities, can create a group of "working poor" unable

to survive decently on their wages, thus leading to a form of exclusion just as damaging as unemployment. (Levitas 1996, 10-11).

Both of these viewpoints are relevant in understanding the influential groups' perceptions of poverty. In Finland, the interviewees were of the opinion that there was a newly arisen group of people, consisting mainly of the long-term unemployed, who were in danger of becoming increasingly excluded from the society because they lacked the resources needed in integrating into new labour markets. As already noted in Chapter 5, the other type of exclusion, meaning the impoverishment of the working poor, is common in all transition countries, including Estonia and Russia where the interviewees recognised the emergence of this new poverty group.

Altogether, in understanding the influential groups' perceptions of poverty, the usefulness of the concept of social exclusion lies in the fact that it points out the ongoing polarisation and increasing inequalities in the societies in question as well as the problems that individuals have in integrating into new social environments. One could also generalise that social exclusion is a useful concept for examining the many-sided phenomenon of poverty in a context of social change. In addition, if there is a link between social change, changing market conditions and poverty, then another link can be drawn between social change, individualisation and consumerism. On the basis of the data in this study, this can be done at least in the case of Estonia, where subjective poverty was manifested in the form of social exclusion from consumption. As Bauman has pointed out, it is one thing to be poor in a society of producers and universal employment, but it is quite a different thing to be poor in a society of consumers (Bauman 1998, 1).

Apart from social change, another explanation for the interviewees' wide definitions of poverty can be found in their social position. Dean and Melrose suggest that those who are themselves closer to poverty tend to have narrower definitions of it and to think about it in more pragmatic or less speculative ways. In other words, those who are objectively more at risk of poverty are also more likely to conceptualise poverty in narrow terms: to distance themselves from poverty by defining it as an especially dire or extreme state of affairs. In turn, those who are more removed from poverty or are more inclined to reflexive discourses are perhaps more likely to countenance wide definitions; and not only relative definitions but the kind of definition which regards poverty as a denial of choice, e.g. as exclusion from the freedom of the market place. (Dean & Melrose 1999, 37-38).

In sum, one can conclude that both transition and transformation - although for different reasons - have brought about new groups of socially excluded people. It is another question, however, how severe this exclusion is. It was predicted in Chapter 2 that, as a consequence of social change, the principles of social citizenship would have to be questioned and that a new relationship would emerge between the state and the citizens. Thus, another way of approaching the issue of social exclusion is to examine whether or not there have been significant alterations in social citizenship or social rights.

As concerns Finland, the answer was given in Chapter 6, where I suggested that social citizenship, which has been an integral part of welfare state hegemony, is still highly valued, even though the goal of full employment is excluded from it. Furthermore, in Finland the established social rights still guarantee a minimum level of social protection even for the groups threatened by social exclusion. The issue is more complex in

Estonia and Russia, where the new citizenship rights and social rights are still in an undeveloped state. On the basis of the data presented here, it seems that there is a real danger in these two countries that socially excluded people will also be excluded from citizenship rights. An extreme example of this is Estonia's Russian-speaking population whose exclusion from citizenship and social rights remains a problem.

Another question that still remains open is "who are the actors willing and capable of acting for extensive social rights and social citizenship?" In 1992, Kolankiewicz predicted that social rights were unlikely to remain under the umbrella of the state; they would be put into the hands of the community. Citizenship, civilised community, civic honesty and integrity would be reconstructed from the grass roots (Kolankiewicz 1992, 154).

The citizens' willingness to act on behalf of extensive social rights is called into question by the notion that, in the post-communist countries, "there has been a shift away from the socialised idea of civil society towards the more limited classical liberal notion which emphasises *political citizenship* and the freedom of economic action in terms of *individual* rather than *group* or *community rights*" (Wesolowski 1995, 114).

The latter view is supported by the results of this study. One could even argue that the state has the most crucial role in resolving the questions of citizenship, since there are so few actors in the sphere of civil society who would act on behalf of social rights. However, there are no guarantees that the new democracies will introduce extensive social rights. In the worst scenario, new citizenship rights will be established without welfare. As Richard Rose has pointed out, even though the European Community makes

respect for civil and political rights a primary condition for membership, the agreement about political and civil rights is not matched by agreement about the definition or material value of social rights: there is no consensus even about the appropriate standard of social welfare (Rose 1993, 225-226). Deacon has similarly argued that the goal of socially just capitalist economies, with flourishing civil societies within which the state reinforces the citizenship rights of the less powerful, is by no means a guaranteed outcome (Deacon 1993, 187).

In any case, as concerns the extent of social policy and its target groups, it is crucially important how the issues of citizenship and social rights are resolved in post-communist countries. In the words of Rose, "economic growth is a necessary but not sufficient condition for financing a welfare state. An extension of social solidarity to match the boundaries of citizenship is a second condition for extending state provision of welfare. Thirdly, the state's involvement in society depends upon citizens trusting it to be honest and benign rather than corrupt and oppressive in handling funds and delivering services." (Rose 1993, 238-239). The third point made by Rose is also worthy of examination here, for an increasing lack of trust plays a role in the influential groups' definitions of poverty in all the countries studied.

It was stated in Chapter 6 that, on the basis of the Durkheimian tradition, social exclusion can also be defined as a process in which the individual loses trust in the significance of the prevailing values and rules. This situation of anomie can produce something that the researchers call social distrust. According to Kortteinen and Tuomikoski (1998) a lengthening period of unemployment, for example, could feed this social distrust.

In Chapter 5, I argued that the new framework of defining social problems in Estonia and Russia can partly be constructed on the basis of anomie which is a helpful concept in explaining the "psychological causes" of social problems. Furthermore, in Estonia and Russia, the state of anomie and increasing lack of trust can be connected with the declining importance of social networks and a sort of disbelief in state-guided universal welfare-building. There was a strong distrust, especially among the Russian interviewees, in the state's ability to collect taxes and redistribute them in an efficient and equal way¹.

In order to compare these phenomena of social distrust and anomie across the countries, I introduce yet another concept, namely that of social capital. This concept is often used in connection with the concept of trust.

Social capital is a concept that has a variety of meanings but that is generally defined as the information, trust, and norms of reciprocity inhering in one's social networks (Woolcock 1998, 153, 155). According to interpretations based on Robert Putnam (1993), social capital consists of a society's rules of conduct and the networks that mediate these rules. In addition, the citizens need to trust these rules (Hjerpe 1998, 17). According to Woolcock, trust here does not mean just trust between individuals but also trust between individuals and different kinds of institutions (Woolcock 1998, 153). Therefore, one difference between the countries compared is that, in Estonia and Russia,

¹ Other studies also suggest that, as a result of the economic and social consequences of transition, the public legitimacy of the political system is poor. Victor Zaslavsky talks about the de-politisation of the Russian population. He argues that the period of *perestroika* was the last period of mass political mobilisation. At the time, people still thought that the questions of power and the choice of a concrete program were critical for an immediate increase in the standard of living. Later, an increasing understanding has emerged that the possibility of a quick and easy exit from the crisis simply does not exist. As a result, the illusion of the government's omnipotence is disappearing, and interest and participation in politics are rapidly decreasing. (Zaslavsky 1995, 135).

one can find distrust between individuals and distrust between individuals and institutions, whereas in Finland, distrust is only reported between individuals and institutions. (Cf. Simpura et al. 1999).

Furthermore, if we assume that a society with high social capital is a society of good governance, social cohesion, and civil society, and if we also assume that, in order to achieve high social cohesion, a society must make sure that no significant increase occurs in income differentials or social marginalisation and that the majority of citizens regard the society as legitimate and just (c.f. Hjerppe 1998, Kiander 1998), then it is obvious that, compared to Finland, Estonia and Russia have a much lower level of social capital.

On the basis of the Finnish influential groups' perceptions of social problems, it seems that social capital is on the decrease in Finnish society, due to the growth in unemployment rate, increasing social exclusion and inequality. Nevertheless, as pointed out above, the welfare state and the social rights guaranteed by it prevent any vast changes in the extent of social capital. In Estonia and Russia, the factors that weaken the basis of social cohesion are more severe.

The results of this study support this argument, calling attention to the declining importance of social networks, the existence of anomie and, most particularly, to the increase in crime. Social capital also declines with increasing income differentials that weaken the citizens' trust in social institutions and good governance.

The pace and extent of social change are another reason why the amount of social capital varies so greatly between the countries. As Reino Hjerppe, for one, has pointed out, social capital can be subject to sudden changes. A rapid change of economic system, for example, may result in uncertainty concerning the new rules of conduct, and thus lead to a decline in social capital (Hjerppe 1998, 27). Much like social exclusion, social capital seems to be an especially useful concept in the context of social change.

Altogether, an understanding of the concepts of social exclusion, anomie, trust, and social capital is helpful in grasping some of the various meanings of poverty and, especially, the differences in defining poverty across the countries studied. However, despite these differences, the influential groups' answer to the question of "how poverty and other serious social problems should be prevented and treated" is very much the same for all countries.

7.2 Comparing perceptions of social policy

The remaining hegemony of the state

In Chapter 2 it was assumed, on the basis of theoretical considerations, that one part of the social change in the East and West was a move away from the state-centred welfare model towards more liberal social policy arrangements. However, again contrary to expectations, the welfare state model was the only choice the influential groups could see for their countries, either at present or in the near future, whether or not they personally favoured this model.

It was another surprise that the influential groups in Estonia and Russia as well as Finland put very little emphasis on the market and civil society as responsible bodies for people's welfare. In Finland, market-based solutions were hardly mentioned at all, and even in Estonia and Russia, the market was not regarded as a viable option, mainly due to the unreliability of private insurance companies. Thus, in the end, the main juxtaposition is between the state and individuals.

It is true that many of the interviewees did emphasise that individuals should assume responsibility for the prevention and treatment of many individual social problems. However, when they considered the social security system as a whole they preferred a state-centred welfare model. To summarise the perceptions of the influential groups in Estonia and Russia, a state-governed system of welfare remains necessary until the economic and social situation is stabilised; until the major social problems that now afflict the entire population have been considerably decreased; and until the people have adjusted mentally and learned the rules of a market economy. When all this has happened and the structures of civil society have been rebuilt, the responsibility for social problems could, and should, be transferred to individuals. They can then insure themselves, mainly through market-based arrangements, against social risks.

Furthermore, the Estonian and Russian interviewees recognised the tendencies of individualisation and neoliberalism as causes for the diminishing reliance on social networks. For the most part, however, the results of this study do not support the previously presented argument that the liberal style of thinking has become one of the most important tools in discussions on the direction of post-communist reforms.

The influential groups were more inclined to agree with Szacki's statement that, despite the fact that liberals like to call for a radical reduction in the welfare functions of the state, the matter is not at all simple in practice. The liberals use the doctrinal argument of liberal social philosophy and point out that poor countries cannot afford the welfare state. However, certain important areas of social life cannot, for the time being, stand on their own without assistance from the state, and it is quite obvious that a large segment of the population still expects assistance from the state. (Szacki 1995, 161-162).

Furthermore, the influential groups' perceptions can be explained by the fact that, although there was a notable reduction in the interests and obligations of the state authority after the fall of socialism, they still remained excessively wide. In other words, the state did not cease to be the biggest employer and it did not transfer to anyone else the responsibility for all of those areas that, in a non-communist state, do not belong to the state. (Szacki 1995, 161).

On the basis of the data, one can also argue that the majority of the interviewees still attach positive evaluations to most of the social entitlements provided by the state welfare system. For example, in arguing for the strong state, the Russians referred to their history, far back when the state always played an important role. In Estonia, the welfare state activities were also favoured on ideological grounds and, in that respect, the Nordic countries were seen as exemplary.

Surprisingly, this was also the case in Finland, where causes as well as solutions for most social problems were sought rather on the societal level than on the level of the individual, in spite of the common claim about individualisation being one of the corner

stones of the ongoing social change in Western welfare states. Furthermore, the majority of the interviewees were of the opinion that the welfare state is so deeply rooted into the Finnish society that it is highly unlikely to change in the near future.

In sum, in Estonia and Russia it is the socialist legacy and in Finland the welfare state hegemony which determines how responsibilities for welfare should be arranged. The main difference between the countries is that in Finland, the influential groups wanted to preserve the strong role of the state, whereas in Estonia and Russia, the interviewees simply did not see any alternative to it in the present situation.

No room for civil society

The socialist legacy and welfare state hegemony were also reflected in discussions of the role of civil society. The reasons for rejecting the help of civil society were, however, very different in Estonia and Russia compared to Finland.

Among the Finnish influential groups, the prevailing argument was that civil organisations, families and relatives would not be able to provide welfare as effectively and well as the state does. In addition, when speaking about the role of civil society, the interviewees saw it rather as a supplement and by no means an alternative to the state. In this respect, the interviewees followed the same track of thought as Szacki, who has stated that the independence of civil society from the state does not mean that it can do without the state, but rather that it complements the state in collective life with other functions and, so to say, operates on a different principle (Szacki 1995, 105). Furthermore, the influential groups' perceptions are in line with those of the public:

according to many surveys on public opinion, the Finnish people in general do not support the idea of transferring welfare responsibilities to civil society.

In Finland, the reason for this might simply be the fairly good standard of welfare provided by the state, but in Estonia and Russia the reasons are more manifold. Even so, they can all be explained with the help of the three definitions of civil society provided by Sztopka (1996).

As stated in Chapter 2, civil society as a *sociological concept* refers to the intermediate sphere of society that exists between the micro-level of the family and the macro-level of the nation-state. In this sense, the first attempts at restoring civil society in Estonia took place as early as in the 1980s, with the Popular Front. The role of social movements also grew significantly in Russia during the period of *perestroika*. However, as noted earlier, in early post-communism many social movements have, in fact, become less active than they were in late communism. According to the latest reports, the role of NGOs has remained marginal. In Estonia, one reason for this is the limited interest of the state and the enterprises in the development of the civil society. According to the Estonian Human Development Report, there are features in state administration and the democratic process which obstruct the development of the civil society. Such factors include a lack of openness in the political decision-making process and state administration and also the democratic and business elites' unwillingness to take seriously any opinions different from their own. (Estonian Human Development Report 1999, 39). Nevertheless, the intermediate sphere is developing, albeit slowly. In this sense, civil society has been reconstituted in all post-communist countries.

In another sense, civil society can be viewed as an *economic concept*. Sztopka argues that, in this sense of the term, civil society has been at least partly reconstituted: a rudimentary market now exists, and a sizeable middle class has emerged. Here, the interviewees of this study would not agree with Sztopka, since they were strongly of the opinion that there is still no middle class in transition societies. This was seen as one of the main reasons behind the stumbling development of civil society.

The other main reason, according to both Sztopka and the influential groups of Estonia and Russia, is the growing fragmentation, atomisation, uprootedness, and anomie in these societies. On the basis of the interviewees' perceptions, factors contributing to the state of anomie and the weakness of civil society include lack of citizenship, diminishing reliance on social networks and lack of social control and trust.

One can thus conclude that, in the *cultural sense* of the term, civil society as a network of deep assumptions, codes and frames for thought and as action related to a community of citizens, to national tradition and to state institutions has not yet been reconstituted (cf. Sztopka 1996). In addition, the results of this study suggest that it will take a long time before civil society, understood in this sense, will be re-established in Estonia or in Russia. Altogether, in the light of the data reported here, the consideration that is sometimes presented, that the post-communist states could quickly withdraw from their social policy commitments because of a growing third sector, appears entirely unrealistic (cf. Elster et al. 1998, 243).

The significance of cultural transformation

In view of the comparative conclusions, the main finding with regard to the transition and transformation processes is the unexpectedly slow pace of change.

As far as Estonia and Russia are concerned, Sztopka provides a credible answer, and a one that supports the results of the study. According to him, the main reason why the transition processes are far from harmonised or consolidated and why the transition remains, in an important sense, unfinished is the continuing incongruence between institution-building and culture-building. (Sztopka 1996). In other words, what Dahrendorf (1997) calls "the clock of the citizen" runs much slower at the cultural level, lagging behind institutional developments. Therefore, the "cultural habits of the heart" show surprising resilience: even though no longer adequate for the new institutions, they persist, forming the single most important barrier to a smooth and rapid transition.

Sztopka has predicted that the greatest pains of the transition are not going to be found in the economic or political domains. Instead, the most persistent obstacles on the road towards an open democratic market society originate on the much less salient cultural level. As a consequence of cultural failings, the "block culture" leaves a lasting heritage of "trained incapacity," an inability to make proper use of the new institutional and personal opportunities. (Sztopka 1996, 124-125). Furthermore, in speaking about the people's inability to cope, Sztopka refers to the socialist legacy as a syndrome of "civilizational incompetence," while I prefer to speak of "the persistence of *homo sovieticus* or *homo etaticus*." Otherwise, considering the significance of the socialist legacy and the state of anomie in the framework of defining social problems, the results of this study support Sztopka's ideas. On the whole, what these ideas about the

cultural transformation bring to the fore is the importance of the transmission of values.

In the words of Szczepánski:

It is easy to change legal acts, ideological declarations, institutional statutes, but it must be remembered at the same time that society can be said to have changed only when each and every one of its members has changed his way of thinking and doing things, his habits and his work patterns, his sense of duty, his values as well as his sensibilities and perceptions on what is natural and what is not in a given community. (Szczepánski, 1989, 135, in Kowalik 1994, 186-187).

As regards the theories of transition, it can now be concluded that the idea of transition as a state of perfect destructuration (or Genesis environment) or a new ideology, radically rejecting the old institutions and the old way of life, is not very relevant in explaining perceptions of social problems. In other words, "the table is anything but clean." As the results of this study clearly show, the definitional space can, in fact, be very limited.

Therefore, as predicted in Chapter 2, the most relevant transition theories for the purposes of this study are the ones that emphasise the impact of cultural inheritance on the process of defining a new social order. For instance, Stojanov's interpretation of transition as a secondary re-modernisation process, the central question of which is "how much of the state-socialist system has collapsed, and what is still alive under the new conditions," turned out to be a helpful tool in examining how the transition was reflected in perceptions of social problems.

Accordingly, the results agree with Offe's theory of "path dependency," which takes into account the historical factors and the very special nature of social change that together determine the direction of change. It is also my opinion that, in the long run,

the economic, political and cultural preconditions that have been created in post-communist countries over the centuries will surely affect the transitional paths and the social policy models that are now being formed. This seems likely even though, at the time of the interviews in 1995, perceptions of social problems and social policy were still guided mainly by the dramatic and new social consequences of the transition.

The unprecedented social costs of the transformation can also be regarded as an obstructing factor that makes the pace of change slow in Finland. This explanation does not, however, suffice to explain why the transformation theories are so ill-suited to describing social change in the Finnish society.

In Chapter 6, I concluded that the influential groups recognised the "crisis" or transformation of the welfare state, as long as it was treated as synonymous with the crisis experienced in state expenditure. The ongoing transformation was also connected with a general individualisation process, a gradual polarisation of the society, and changing forms of production. In the end, however, the change towards a more individual-oriented society does not appear very dramatic; the interviewees were of the opinion that nothing much would happen in the next few decades.

Therefore, the gradual transformation of the Finnish society can only poorly be described using the ideas of neoliberalism or postmodernism and terms such as "individual emancipation, plurality and difference," "consumer sovereignty" and so

forth.² In my opinion, there is an undercurrent of a greater change in values and a stronger emphasis on individualism in welfare discourse, but welfare ideology remains very strong in the mainstream.

Now I can also conclude that the carefully built theoretical framework regarding similar tendencies of social change does not hold in practice. Some of the social phenomena in Estonia, Russia and Finland were discussed under similar headings: in some cases, they do resemble each other, but in the end they mean different things. One illustrative example of this is the definition of poverty; the role of civil society is another. Thus, as far as perceptions of social problems are concerned, the Eastern transition and the Western transformation do not have much in common.

On the whole, it seems that nation states are still strong, at least on the level of welfare policy. The state and its welfare policy remain the most common frame of reference in discussions of responsibility for the treatment of social problems, even though the planning and implementation of social policy have, to some extent, been transferred from state administration to local administrations in all of the countries studied. This is still true even in Finland, despite her relatively new membership of the European Union. The debate on globalisation and its effects on social policy also supports the argument about the strong role of nation states.

² If the terminology of postmodernity appears fairly useless in explaining the Finnish influential groups' perceptions of social problems, it definitely is that in the cases of Estonia and Russia. Although some transition theorists are of the opinion that "modernity has spiralled out of control into a new, as yet unknown orbit of postmodernity" even in post-communist countries and that "the context of the market is a burgeoning capitalist economy of ever-more-global scope," (Burawoy & Verdery 1999) the results of this study do not support the idea of "designer capitalism," according to which the post-communist countries are following a straight line from communism towards global market economy.

According to many social scientists, globalisation is thought to weaken the status of nation states by shifting the locus of policy-making down to the local and up to the supranational and global levels (e.g. Deacon et al. 1997). As concerns the definition process of social problems, the researchers expect globalisation to increase the power of international organisations as definers of social problems (Simpura 1999, 97-98). According to some, especially the making of post-communist social policy has been very much the business of supranational and global actors. One reason for this is the fact that, in post-communist conditions of political instability, the field is left much more open to international organisations, such as the World Bank, IMF, ILO and the European Union. (Deacon et al. 1997, 195).

However, no research has yet been able to indicate any such straightforward changes in social policy systems as could be seen as resulting from globalisation (e.g. Kosonen & Simpura 1999). In this study, the interviewees had noticed the policy shifts to local governments, but the tendencies of globalisation or localisation were not otherwise recognised in the context of future social policy. Particularly Russia seems to be relatively untouched by these tendencies, as social policy is still regulated mainly on the national level. In fact, most institutional structures of the welfare sector have changed little in Russia: the constitution states that policy decisions on social security are made on the Federal level, which leaves the various republics, territories, regions, and federal cities dealing with just housing problems (Manning 1995, 200-201).

7.3 Discussion: from influential groups' perceptions to the course of social policy systems

Comparative social policy analysis has demonstrated that, beyond a certain level of economic preconditions, there is no necessary association between the nature of a country's welfare effort, the form of welfare organisation, and welfare outcomes or economic level. Therefore, political choices matter and make a difference. (Deacon et al. 1997, 35).

The role of influential groups as definers of social problems was dealt with in the context of the theoretical framework. Considering, for example, the weakness of the actors of civil society, surely the journalists, administrators and business people are still among the most influential agenda-setters in the sphere of welfare policy. However, even if it is quite evident that the influential groups' perceptions are significant in guiding the direction of the reform, a more problematic issue remains to be addressed: to what extent may the results of this study be generalised?

As stated earlier, one general rule concerning generalisability states that the more enmeshed within the system the component of analysis is, the greater are the chances that its characteristics and behaviour will manifest characteristics of the system as a whole (Teune 1990). From this point of view, there are reasons to believe that the perceptions of social problems presented here can be expected to be similar to those among other influential groups. One result, in particular, strongly suggests that this is the case: there were no notable differences between occupational groups in any of the countries. This appears to confirm the ideas presented in Chapter 4 about homogeneous elites and close contacts between elite members.

Another explanation for why the values, norms and interests do not seem to differ between the groups, or even between the countries studied, can be found within the social context of transition and transformation. The influential groups were keen to preserve the strong role of the state in welfare policy, and it could be assumed that one thing they were hoping to achieve by this was social stability. Steen, among others, has pointed out that social policy is a crucial condition for social stability and, therefore, also for the success of other political changes. Furthermore, since social stability reduces popular resentment towards the ruling elites, one would expect that it would be in the interests of the elites to secure the basic well-being of the people. (Steen 1997, 339).

On the whole, on the question of whether the influential groups represent the "old elite" that wants to maintain stability, continuity and conservatism or the "new elite" that might embody innovatory democratic and market values, it would seem that the interviewees of this study are somewhere in between. Or, more precisely, they are members of the "new elite" in that, regardless of their own personal preferences, they regard it necessary for the nation, as a whole, to retain some continuity in social policy. Interestingly, as I will show next, the influential groups' perceptions of five years ago often still correspond to common perceptions of social problems and social policy today.

In **Estonia**, despite her steady recovery from the economic crisis, the social problems discussed by the influential groups have not disappeared. Poverty, for example, decreased somewhat between the years 1996 and 1999, but recent studies show that about 40 per cent of the population still live in poverty (Estonian Human Development

Report 1999, 76, Transition Report 1998, 165). After the restoration of independence, the main factors that have caused poverty in Estonia to deepen have been the general economic downturn, the changes in the principles of redistribution of public sector finances and the inefficiency of existing coping strategies in the changed social situation. (Estonian Human Development Report 1999, 75).

In addition, unemployment in Estonia has been increasing since the mid-1990s. According to a survey conducted by the Statistical Office, in 1999 the unemployment rate in Estonia was 11.7 per cent, which is slightly higher compared to the previous year when the rate was 9.6 per cent. (The Economist Intelligence Unit 2000).

Unfortunately, latest research also offers some support for the predictions about increasing social exclusion: as a result of prolonged poverty, the long-term unemployed have faced rapidly increasing marginalisation and loss of confidence and future prospects. What makes the situation worse is that there is currently no forward-looking poverty reduction strategy in Estonia. Instead, there are small local projects, mostly inspired by the current conditions, and these do not have the scope to have a marked effect. Moreover, they are more geared towards repairing current damage than to preventive measures. (Estonian Human Development Report 1999, 79).

The problem areas of the social sphere, particularly health care and pension reform, are mentioned as deficient areas in the European Commission's most recent report. Furthermore, the Commission considers Estonia's language law amendments, restricting the use of languages other than Estonian in public and private life, as a retrograde step. In addition it demands that Estonia should pay greater attention to fighting corruption.

However, it also remarks that, on the whole, Estonia is making relatively good progress in harmonising its laws with those of the European Union. Estonia is described as a functioning market economy that should be able to cope, in the medium term, with the EU. (The Economist Intelligence Unit 2000, 7-8, 13).

Without a doubt, the difficulties are more severe in **Russia**. In addition to political instability, Russia has faced economic problems far exceeding those in other post-communist countries. So far, the unsuccessful reforms have caused, among other things, a 40 per cent decrease in GDP between 1991 and 1996, high inflation, an extraordinary fall in living standards in 1997 and large cuts in public expenditure (Standing 1998).

Thus, after the research reported here, the situation has truly worsened. Economic development in the 1990s never reached the pre-1991 levels, either as measured by GNP indicators or as estimated by the everyday standard of living among the vast majority of the population. After 1997, there was a brief period of growing optimism, with a 0.4 per cent increase in the GDP and a corresponding increase of 1.9 per cent in industrial production. In addition, the annual inflation rate slowed down from almost 50 to 15 per cent, the gross state debt remained stable, and the budget deficit showed a slow decline. However, since August 1998 the economy has been in crisis. As a consequence, all economic indicators again show a negative tendency. (Simpura et al. 1999, 51).

The economic crisis has had a severe effect on the well-being of the Russian population. According to many estimates, the share of the population in poverty is over 50 per cent. Population segments with a fixed income and few opportunities for additional earnings,

such as the pensioners, were especially hard hit by the crisis. The tiny middle class was another group that suffered badly. One indication of this is the fact that, after August 1998, the share of income spent on food among the middle class has grown from 40 per cent to 70 per cent. (Simpura et al. 1999). The crisis has also been severe, in every respect, in St. Petersburg, where the living standard is now below the Russian Federation average.

There has been no solutions to the crime problem in Russia. The factors producing crime - the decline in living standards, income differentiation, unemployment and the generally unfavourable psychological situation brought about by economic difficulties - show no sign of disappearing (cf. Ilynsky 1996, 236). On the whole, the criminalisation of Russian life has had a profound social effect. Its destructive influence on the economy undermines international business confidence in investing in Russia. In addition, organised crime and economic crime plunder social resources and reduce economic gains that would otherwise be available for industrial restructuring and social needs. (Frisby 1998, 38).

Unlike her eastern neighbour, **Finland** has in many ways recovered from the economic hardships. The national economy is going strong, export industries are doing better than ever and, due to Finland joining the European Monetary Union in the first stage, there is a growing number of large-scale mergers in the financial sector and in manufacturing industries. Furthermore, consumption has exceeded the record levels of the late 1980s (Blom et al. 1998, 109-110) and unemployment has been decreasing since the peak in 1995. Nevertheless, compared to the time before the depression, unemployment has

remained on a high level. It was still 11.4 per cent in 1998 (Statistical Yearbook of Finland 1999).

Consequently, poverty and unemployment are more closely connected with each other in today's Finland than they were in the 1980s, when the success of welfare society in reducing poverty among people of working age was based on the effective elimination of long-term unemployment (Laaksonen 1998, 69-70). In the mid-1990s, social scientists (e.g. Ritakallio 1994) as well as the influential groups predicted that inequality would increase in the near future and that there would be a large group of people living in permanent poverty, forced to permanent dependence on social assistance.

These predictions have lately been confirmed in many studies that have tried to map the possibly permanent effects of the recession upon welfare policy and the well-being of the people. For example, in a study on Finnish long-term unemployed, the authors concluded that the people who had been in the lowest strata of the labour force during economic prosperity were forming a new proletariat, a marginal group of permanently unemployed people. (Kortteinen & Tuomikoski 1998, 179). Furthermore, despite the fact that the changes in Finland remain rather modest compared to Sweden and Norway, where there are clear signs of increases in income inequality, it is also true that the number of households in receipt of social assistance has been growing throughout the 1990s (Gustafsson et al. 1999, 232, Statistical Yearbook of Finland 1999).

In the last few years, cutbacks have been introduced or retrenchment has taken place in a number of areas of social policy. This process has involved cuts in benefit levels, tightening of eligibility criteria and shortening of benefit periods. The tightening of

eligibility criteria is a problem for people entering the system, and the shortening of benefit periods is a problem for those hardest hit by long-term unemployment. In general, however, the cuts have not been radical (Ploug 1999, 102).

Furthermore, compared to other industrialised nations, all the Nordic countries are still spending a larger share of their GDP on social welfare and, in this respect, no dramatic development occurred between the 1980s and the 1990s (Marklund & Nordlund 1999, 27-28). In Finland, social expenditure as a percentage of GDP increased, albeit moderately, during the 1990s. It was 23.8 per cent in 1989 and 29.4 per cent in 1997 (Statistical Yearbook of Finland 1999).

In the near future, the main dilemma facing Finland will be how to cut public spending without increasing unemployment. A second dilemma is that unemployment itself gives rise to public costs. A third dilemma concerns the ageing of the population, which means increased expenditure on services, income transfers to the elderly and a decrease in the resources available for meeting the needs of other groups. (Marklund & Nordlund 1999, 23-24). According to Niels Ploug, the future of the Finnish social policy system will eventually depend on two things: its ability to solve the unemployment problem, and public support for the welfare state as a model for economic and social development (Ploug 1999, 103).

As concerns the latter of the two things Ploug deems important, it is noteworthy that there were fluctuations in support for the welfare state throughout the 1990s. From 1990 to 1994, there was a drop in the willingness of the Finns to provide more tax money for social security, but 1995 and 1996 again brought greater support for the welfare state.

Even in deep recession, only a small minority of Finns expressed a preference for cuts in social expenditure. In this sense, one can claim that in the eyes of the Finnish population, the welfare state has always been legitimate in that it has been regarded as worthy of tax money - either the amounts set at the time, or even more. (Andersen et al. 1999, 242-243). A clear indication of this is that, in the last elections in 1999, all the parties in the parliament supported the maintaining of the welfare state. The one right-wing party that demanded alterations to social security did not make it into the parliament, while the Social Democrats retained their position as the largest party.

In sum, as the influential groups predicted, the Finnish welfare state is less generous today than it used to be, but the level of social security is still very high compared to other welfare systems, and public support for the welfare state remains widespread.

The challenges that Estonia and Russia face in reformulating their welfare policies are so much greater in scope that – to adapt a Finnish saying – ”one cannot even speak about the three countries in the same day.” As Offe (1996b) has put it, everything that people in the West would associate with a well-functioning, firmly institutionalised welfare state and social policy system had to be created in a largely empty space.

Regardless of their differing transition paths, the former socialist countries have all faced similar challenges in reformulating their social policies. At the beginning of the transition, vast economic measures were taken in order to transform the economies from socialist economies to capitalist ones. In terms of social policy systems, however, the master plan was never fully implemented; the economic reforms were largely implemented without thinking of the people’s ability to cope. It is probable that reliance on the powers of a market economy was so great that it was assumed that, after the

”shock,” things would start to improve by themselves. However, as the results of this study also show, the social costs of the transition have been widely acknowledged and personally experienced even by the groups of people whose position in their society is very secure compared to the majority of the people in post-communist countries. In this sense, the personal costs of transition have affected the perceptions of the influential groups more than the political successes of economic liberals.

Also, according to Elster et al., the reasons for the slow pace of social reforms are manifold. Firstly, it must have taken time for the reformers to study foreign models and develop distinct reform plans. Secondly, a significant reform of social security was clearly not the first priority of the post-communist governments when they came to power. Thirdly, none of the transition countries had the financial resources to remedy the failures of the old welfare regime by merely topping up what was already in place. (Elster et al. 1998, 233).

At the time of the interviews, Estonia and Russia were in a situation where the old system of welfare had been demolished and the new social security system was still undeveloped or ineffective – in any case, incapable of reducing the social problems caused by the transition. As regards the state’s capability of managing social problems, the Estonians interviewed for this study were, without question, more optimistic than their Russian counterparts. However, although the influential groups in both countries emphasised the role of state institutions in breaking the vicious circles of social problems, they also noted that the state institutions were still weak. Due to the shadow economy, governments were having difficulties in collecting taxes to finance the social policy system. Up to the present, the situation has remained very much the same.

In Estonia, the development of welfare structures has not been met with the same unanimous support as political and economic liberation. From the beginning of the reforms, social policy has remained the most controversial issue for all new governments. (Lauristin 1995, 2). At present, in Estonia as in the other Baltic countries, the level of social security is very low, with no plans to set up a comprehensive regime of the kind that exists in the Nordic countries. According to Blom et al. (1999), Estonia's legislation on the labour market is fairly comprehensive but the implementation of the relevant laws is proving very difficult. Work is also continuing on the development of the social security system, where there is definitely a need for more extensive regulation.

So far, child and family allowances have represented the largest proportion of benefits financed from the state budget. In 1998, they accounted for 96 per cent of the money paid out as benefits. (Eesti Statistika Aastaraamat 1999). Recently, however, there have been attempts towards institutional social security in the form of, for example, a unified pensions scheme (Blom et al. 1999, Transition Report 1998). In addition, unlike in previous years, the government's budget for 2000 includes social and health insurance (The Economist Intelligence Unit 2000, 14).

Much like Estonia, Russia is facing manifold problems rebuilding her social security system. In Russia, the problems are even greater: today, the total social expenditures in Russia make up only 12 per cent of the GDP, whereas even other East-European countries are able to spend 18 to 24 per cent of the GDP for this purpose (Atal 1999, 193).

One of the main problems in Russian social security is the growth of the shadow economy. Increasing tax evasion undermines the financial base of government social policy, making it extremely difficult to implement any alleviation measures (e.g. Atal 1999, 203).

However, in spite of the fact that the percentage of cash social transfers to household budgets has decreased, public social support is still very important. In addition to cash benefits, Russian social security includes practically free public education, pre-school child care and other public services preserved from the period of socialism. Medical care is covered by universal public health insurance. (Liborakina & Rotkirch 1999, 25).

Recently, some successful private companies have begun to provide employees with a package of medical and social insurance or other benefits. In addition, private pension funds have been introduced. Consequently, higher incomes allow entrepreneurs and wage earners in the market sector to enjoy high-quality private educational, health and leisure services, which have become an integral part of the market sector. (Liborakina & Rotkirch 1999, 28).

Private insurance, however, is far beyond reach for the majority of people. They have to rely on the state's social assistance, the effectiveness and efficiency of which are highly questionable. According to Yogesh Atal, the present social programs are insufficient because they are formulated in rather general terms with little explanation of practical measures. Another reported flaw is their contradictory nature. In February 1997, for example, the Russian government approved a program of social reforms for the period of 1997-2000. The scheduled measures included the stabilisation of living standards, a

gradual reduction of poverty, diminishing the income gap between social groups and preventing mass unemployment. However, some of the government's other measures are in strong contrast to goals of poverty eradication. The reform of housing, rents and public utilities, for example, is putting a heavy burden on lower income groups. (Atal 1999, 217-218).

Furthermore, arrears of child allowances, unemployment allowances and pensions are common (Liborakina & Rotkirch 1999, 28). Also, the Russian system of education and vocational training has been reported to be in a very bad shape. This is one of the main sources for the spread of so-called new poverty in Russia's current situation of general socio-economic crisis (Atal 1999, 185).

The problems in Russian social security were exacerbated by the financial crisis in August 1998. Low-income households are not found just within the groups categorised as socially vulnerable; in fact, according to some estimates, every fifth person below the poverty line has no access at all to social support from the state (Atal 1999, 211, Liborakina & Rotkirch 1999, 45). Contrary to the influential groups' arguments about the declining importance of social networks, latest studies suggest that holes in the social safety net are making the skills of survival and successful self-mobilisation as well as access to wider networks of information and social support essential capital in present-day Russia. This kind of "social self-defence" may be helping Russians to survive the economic crisis but, at the same time, it remains one of the greatest obstacles to social cohesion and comprehensive social policy goals in Russia. (Liborakina & Rotkirch 1999, 46, Simpura et al. 1999, 51).

Altogether, given the continuing economic and social hardships and the undeveloped state of social security systems, it is not an easy task to predict the possible course of social policy in Estonia or in Russia.

However, as regards post-communist countries in general, there have been attempts at prediction: Bob Deacon, Michelle Hulse and Paul Stubbs have constructed four likely futures for state bureaucratic collectivism, which is what they call the socialist "social policy" model. First, they argue that, combined with the pre-existing status differentials reflected in the privileges available not only to members of the *nomenklatura* but also to those workers who were highly regarded under the system, the work-based system of welfare, characteristic of state bureaucratic collectivism, suggests a relatively smooth and logical transfer to a German-like system of *collective corporatism* via the establishment of an earnings-related social security policy. (Deacon et al. 1997, 50).

However, as Arkadiusz Sobczyk (1995) has pointed out, as a result of privatisation, labour is no longer considered as a social benefit that the state is legally obliged to supply. Moreover, the complicated financial situation of enterprises has adversely influenced the financing of social policy. The financing is unstable and in a state of decline, mainly due the shrinking tax base on which social contributions are calculated. (Klich 1995, 145).

In the group interviews, the model of "collective corporatism" was not discussed and the influential groups did not mention trade unions or workplaces as possible guarantors of social services. Thus, at least the interviewees of this study would not regard this model as a viable option.

According to Deacon et al., another possibility could be a *retraditionalisation* of post-communist societies, meaning women returning home to take care of the welfare tasks that have, for some time, been provided by the state. In fact, such tendencies have become visible in post-communist countries: the economic pressures and political reforms have begun to push women back into the domestic arena (Slater 1995, 76). Nevertheless, as the writers point out, probably rightly considering the high involvement of women in the workforce, a retraditionalisation does not seem very likely. The data presented here contains no allusions to such a possibility, although many of the Estonian interviewees held very traditional views on gender roles, for example concerning child care or care of the elderly.

For a further model, Deacon et al. present the possibility of *social democracy* but note that it is unlikely to be a viable option in the short term because it requires a productive economy and heavy taxation. Instead, they predict that, in direct contrast to state bureaucratic collectivism, the impoverishment and indebtedness of former socialist countries is likely to expose them to strong pressures towards *liberalism*, both from the IMF and from the World Bank. In the utmost case, a country could face a model of "unregulated extreme liberalism" or a welfare collapse of the Latin American type. (Deacon et al. 1997, 50, 52).

Accordingly, Nick Manning has suggested that the Russian welfare state is moving towards considering social welfare as a commodity and towards a sharply graded system of stratification. A greater role of markets will be preferred to state control. In this model, the Russian welfare state moves away from any social democratic tradition

towards corporatist policy-making and a residual minimum for those unattached to the labour market. (Manning 1995, 220).

However, no systematic and comparative analysis of post-communist social policy has yet been undertaken. In the end, what is at issue is the level of benefits, the extent to which state pensions are wage related rather than only minimum guarantees, social assistance at the local level, and the extent to which the state support system is universal rather than targeted. In many cases, only a minimum pension is guaranteed, and support systems are increasingly means-tested. This leads Deacon et al. to conclude that the reality is beginning to look like a variant of liberalism, but a liberalism with a human face - a *social liberalism*, as they call it, rather than conservative corporatism. (Deacon et al. 1997, 51).

In 1998, I predicted that the rise of something close to social democracy could take place in Estonia, where the attitudes of influential groups, the proximity of the Nordic countries and their example of state-guided welfare systems, together with Estonia's relatively steady economic growth, suggested that welfare could be provided by the state to a somewhat greater extent (Hanhinen 1998, 20). However, considering the slow progress in developing a universal welfare scheme and the fact that many social problems, including social exclusion, are likely to remain long-term problems, social liberalism seems a more probable option. Social liberalism is characterised by means-tested and assets-tested social assistance and social support: welfare policy is viewed as a safety net, in contrast to regime types like social democracy, where redistributive commitment exists (cf. Deacon et al. 1997, 200).

The future course of events is, perhaps, the most unpredictable in Russia. However, taking into account all the severe flaws in Russian social security at present, the welfare "model" is closer to "extreme unregulated liberalism" than to any of the other models presented above. The Russian influential groups argued that this would be too pessimistic a scenario and surely also an unwanted one: although they considered a greater role of the market preferable to state control, they stressed that the dramatic social costs of transition made it absolutely necessary that the state provide welfare for the large numbers of people in need in the foreseeable future.

APPENDIX A: GUIDELINES FOR THE FOCUS GROUP INTERVIEWS

At the beginning of the interview the following list of social problems was given to the participants.

Crime against person	Cultural deterioration
Domestic violence	Drug abuse
Drunkenness and alcoholism	Economic crime
Environmental pollution	Ethnic problems
Homelessness	Inequality between men and women
Poor health of the population	Poor housing conditions
Poverty	Problems caused by smoking
Problems of education	Problems of privatisation
Prostitution	Unemployment

In the group discussions the interviewees were asked not to limit themselves only to problems in the list. In addition the list was slightly modified according to the country in question. For example in Estonia a problem of declining birth-rate was added to it as it is a problem that has received a lot of attention in recent public debate.

First, the members of the interview groups were asked to write down the answers to the following questions.

(1a) In your opinion what are the most serious social problems in your society at the moment?

(1b) In your opinion what are the most serious social problems in your place of residence at the moment?

(1c) Which of the social problems affect you and/or your family?

(1d) Please indicate three problems which should most urgently be solved in your country today. Why did you name these particular problems?

After filling the questionnaires the groups discussed question 1d. The remaining questions and tasks were the following:

(2) In your opinion what are the reasons for (2-4 most frequently mentioned) social problems?

(3) The participants were asked to read two imaginary scenarios about the future prospects of social policy and then answer questions 3a) and 3b).

The scenario of welfare state social policy:

In this scenario, citizens can rely on the public sphere, the state and the districts, to take care of the most important tasks of social policy. This is financed with taxes and other payments. The state takes direct responsibility for the care of children, the aged, and the helpless. The unemployed are helped in the best possible ways by means of educational and social policy. Contributions to the retirement funds are reduced by raising the retirement age and lowering the level of retirement security. Pensioners' income is financed by taxation of wage earners and employers.

The scenario of neoliberal social policy:

In this scenario, the public sector has been diminished, and it no longer carries any responsibility for social security. Instead, it creates the prerequisites for voluntary work and general solidarity. The citizens hold more and more responsibility, and many people begin to put aside money as extra insurance, to be on the safe side. New private companies are established for investing these funds, and private retirement savings become a new form of investments for private citizens. The responsibility for taking care of social problems is given to the civil society, to family members, relatives, friends and civil organisations.

(3a) In your opinion which one of these scenarios is closer to the probable future prospect of social policy in your country and why?

(3b) Which one of these scenarios is closer to your own views on social policy and why?

(4a) Please give some examples of such social problems that in your opinion are on individuals' own responsibility or should be taken care of "by the people close to you"(for example friends, family and colleagues).

(4b) Please give some examples of such social problems that in your opinion should be taken care of by the state.

BIBLIOGRAPHY

- AFANASYEV, Vyacheslav (1998): Views on social problems among influential groups in St. Petersburg. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.
- AFANASYEV, Vyacheslav & Yakov GILINSKIJ (1994): Alcohol, drugs and crime in the St. Petersburg press. In Mikko Lagerspetz (ed.): *Social problems in newspapers. Studies around the Baltic Sea*. NAD Publication No. 28: Helsinki.
- ALASUUTARI, Pertti (1995): *Researching culture. Qualitative method and cultural studies*. Sage Publications: London, Thousand Oaks and New Delhi.
- ALCOCK, Pete (1993): *Understanding poverty*. The Macmillan Press Ltd.: Houndmills, Basingstoke and London.
- ANDERSEN, Jørgen Goul & Per Arnt PETTERSEN & Stefan SVALLFORS & Hannu UUSITALO (1999): The legitimacy of the Nordic welfare states: trends, variations and cleavages. In Mikko Kautto & Matti Heikkilä & Bjørn Hvinden & Staffan Marklund & Niels Ploug (eds.): *Nordic social policy. Changing welfare states*. Routledge: London and New York.
- ANDERSON, Jan Otto & Antti HAUTAMÄKI & Riitta JALLINOJA & Ilkka NIINILUOTO & Hannu UUSITALO (1993): *Hyvinvointivaltio ristiaallokossa* (Welfare state at the crossroads). SITRA:n julkaisusarja (nro 131), WSOY: Juva.
- AROMAA, Kauko & Andri AHVEN (1995): *Victims of crime in a time of change: Estonia 1993 and 1995*. National Research Institute of Legal Policy. Research Communications 19: Helsinki.
- ATAL, Yogesh (1999): *Poverty in transition and transition in poverty. Recent developments in Hungary, Bulgaria, Romania, Georgia, Russia, Mongolia*. Berghahn Books: New York and Oxford. Unesco Publishing: Paris.
- ATKINSON, A.B. (1998): *Poverty in Europe*. Blackwell Publishers: Oxford and Malden.
- ATKINSON, Anthony & John MICKLEWRIGHT (1992): *Economic transformation in Eastern Europe and the distribution of income*. Cambridge University Press: Cambridge.
- BAGGULEY, Paul (1994): Prisoners of the Beveridge dream? The political mobilisation of the poor against contemporary welfare regimes. In Roger Burrows & Brian Loader (eds.): *Towards a post-Fordist welfare state?* Routledge: London and New York.
- BAKHTIN, Mikhail & Caryl EMERSON & Michael HOLQUIST (eds.) (1990): *Speech genres and other late essays*. University of Texas Press, Slavic Series, No 8: Austin.

- BARNOWE, Thad J. & Gundar J. KING & Eli BERNIKER (1992): Personal values and economic transition in the Baltic states. *Journal of Baltic Studies* Volume XXII, Number 2. Summer.
- BARR, Nicholas (1994): The forces driving change. In Nicholas Barr (ed.): *Labour markets and social policy in Central and Eastern Europe. The transition and beyond*. Oxford University Press: New York.
- BASH, Harry H. (1995): *Social problems and social movements. An exploration into the sociological construction of alternative realities*. Humanities Press: New Jersey.
- BAUMAN, Zygmunt (1998): *Work, consumerism and the new poor*. Open University Press: Buckingham and Philadelphia.
- BECK, Ulrich (1992): *Risk society. Towards a new modernity*. Sage Publications: London.
- BEST, Joel (1989): *Images of issues. Typifying contemporary social problems*. Walter de Gruyter Inc.: New York.
- BEST, Joel (1993): But seriously folks: The limitations of the strict constructionist interpretation of social problems. In James A. Holstein & Gale Miller (eds.): *Reconsidering social constructionism. Debates in social problems theory*. Aldine de Gruyter Inc.: New York.
- BLOM, Raimo & Helena LAAKSONEN & Harri MELIN & Jouko NIKULA (1998): Conclusions: the changing Finnish model. In Raimo Blom & Harri Melin (eds.): *Economic crisis, social change and new social divisions in Finland*. Series A/29. Department of Sociology and Social Psychology: University of Tampere, Finland.
- BLOM, Raimo & Harri MELIN & Jouko NIKULA (1996): The green banana of the Baltic states – obstacles to capitalist development. In Raimo Blom & Harri Melin & Jouko Nikula (eds.): *Between plan and market. Social change in the Baltic states and Russia*. Walter de Gruyter: Berlin and New York.
- BLOM, Raimo & Harri MELIN & Jouko NIKULA (1999): Constant transition - the Baltic condition. *Idäntutkimus* (The Finnish Review of East European Studies) No 2.
- BOURDIEU, Pierre & Loïs J.D. WACQUANT (1992): *An invitation to reflexive sociology*. The University of Chicago Press: Chicago and London.
- BRYANT, Christopher G. A. & Edmund MOKRZYCKI (eds.) (1994): *The new great transformation? Change and continuity in East-Central Europe*. Routledge: New York.
- BRYM, Robert J. (1996): The ethic of self-reliance and the spirit of capitalism in Russia. *International Sociology* 11 (4), December.
- BUCKLEY, Mary (1993): *Redefining Russian society and polity*. Westview Press: Oxford.

BUCKLEY, Mary (1994): The politics of social issues. In Stephen White & Alex Pravda & Zvi Gitelman: *Developments in Russian & post-Soviet politics*. The Macmillan Press Ltd.: London.

BURAWOY, Michael & Katherine VERDERY (eds.) (1999): *Uncertain transition. Ethnographies of change in the postsocialist world*. Rowman & Littlefield Publishers, Inc.: Lanham, Boulder, New York and Oxford.

BÄCKMAN, Johan (1997): Understanding and interpreting the threat of Russia's organized crime. *Idäntutkimus* (The Finnish Review of East European Studies) No 1.

BÄCKMAN, Johan (1999): "*Sudella on sata tietä...*": *Pietarin organisoitu rikollisuus Venäjän rikosoikeuskulttuurin kehityksessä* ("The wolf has hundred paths...": The organized crime in St.Petersburg in the framework of the Russian culture of criminal justice). National Research Institute of Legal Policy, Publication no 166: Helsinki.

CHUPROV, Vladimir & Julia ZUBOK (1996): An education system in crisis. In Christopher Williams & Vladimir Chuprov & Vladimir Staroverov (eds.): *Russian society in transition*. Dartmouth Publishing Company: Aldershot.

COHEN, Jean L. & Andrew ARATO (1992): *Civil society and political theory*. The MIT Press: London.

COOK, L. (1995): Workers in post-communist Poland, Russia and Ukraine. *Communist and Post-Communist Studies* Vol. 28, no 1.

CORNELIUS, Peter K. (1995): Unemployment during transition: The experience in the Baltic countries. *Communist Economies & Economic Transformation* 7 (4).

CURRY, Jane Leftwich (1984): *The black book of Polish censorship*. Random House: New York.

DAHRENDORF, Ralf (1997): *After 1989. Morals, revolution and civil society*. Macmillan Press Ltd: Basingstoke and London.

DEACON, Bob (1993): Developments in East European social policy. In Catherine Jones (ed.): *New perspectives on the welfare state in Europe*. Routledge: London.

DEACON, Bob (ed.) (1992): *Social policy, social justice and citizenship in Eastern Europe. Studies in the social policy of Eastern Europe and the Soviet Union*. Avebury: Aldershot, Brookfield USA, Hong Kong, Singapore and Sydney.

DEACON, Bob & Michelle HULSE & Paul STUBBS (1997): *Global social policy. International organizations and the future of welfare*. Sage Publications: London, Thousand Oaks and New Delhi.

DEAN, Hartley & Margaret MELROSE (1999): *Poverty, riches and social citizenship*. Macmillan Press Ltd: Basingstoke and London.

DELLENBRANT, Jan (1992): Finland and Estonia 1940-1990: A comparison of economic and social performance. In Bob Deacon (ed.): *Social policy, social justice and citizenship in Eastern Europe. Studies in the social policy of Eastern Europe and the Soviet Union*. Avebury: Aldershot, Brookfield USA, Hong Kong, Singapore and Sydney.

DELLENBRANT, Jan Åke (1994): The re-emergence of multi-partyism in the Baltic states. In Sten Berglund & Åke Dellenbrant (eds.): *The new democracies in Eastern Europe. Party systems and political cleavages. Studies of communism in transition*. Edward Elgar Publishing Limited: Aldershot.

DOBSON, Richard B. (1994): Communism's legacy and Russian youth. In James R. Millar & Sharon L. Wolchik (eds.): *The social legacy of communism*. Woodrow Wilson Center Series. Woodrow Wilson Center Press and Cambridge University Press: Cambridge.

DRIAKHLOV, Nikolai (1996): Tradition versus modernity. In Christopher Williams & Vladimir Chuprov & Vladimir Staroverov (eds.): *Russian society in transition*. Dartmouth Publishing Company: Aldershot.

DURKHEIM, Emile (1952): *Suicide. A study in sociology*. Routledge & Keagan Paul Ltd.: London.

THE ECONOMIST INTELLIGENCE UNIT (1996): *Country Profile: Estonia, Latvia, Lithuania 1996-1997*. London.

THE ECONOMIST INTELLIGENCE UNIT (1997): *Country Profile: Estonia, Latvia, Lithuania 1997-1998*. London.

THE ECONOMIST INTELLIGENCE UNIT (2000): *Country Report: Estonia*. 1st quarter 2000. London.

EESTI STATISTIKA AASTARAAMAT (1999): *Statistical Yearbook of Estonia*. The Statistical Office of Estonia: Tallinn.

EINASTO, Mart (1997): Measuring poverty and deprivation in countries in transition: Behind the Estonian indicators. In Aadne Aasland & Knud Knudsen & Dagmar Kutsar & Ilze Trapenciene (eds.): *The Baltic countries revisited: living conditions and comparative challenges*. The Norbalt Living Conditions Project. Fafo report 230. Oslo.

ELSTER, Jon & Claus OFFE & Ulrich K. PREUSS (1998): *Institutional design in post-communist societies. Rebuilding the ship at sea*. Cambridge University Press: Cambridge.

EREMICHEVA, Galina (1996): Articulating a catastrophic sense of life. In Anna Rotkirch & Elina Haavio-Mannila (eds.): *Women's voices in Russia today*. Dartmouth: Aldershot.

ERÄSAARI, Risto & Keijo RAHKONEN (1995): *Hyvinvointivaltion tragedia. Keskustelua eurooppalaisesta hyvinvointivaltiosta* (Tragedy of the welfare state. Discussing the European welfare state). Gaudeamus, Tammer-Paino Oy: Tampere.

ESPING-ANDERSEN, Gösta (ed.) (1996): *Welfare states in transition. National adaptations in global economies*. Sage Publications: London.

ESTONIAN HUMAN DEVELOPMENT REPORT (1999): United Nations Development Programme: Tallinn.

EYAL, Gil & Iván SZELÉNYI & Eleanor TOWNSLEY (1998): *Making capitalism without capitalists. Class formation and elite struggles in post-communist Central Europe*. Verso: London and New York.

FATIC, Aleksandar (1997): *Crime and social control in "Central"-Eastern Europe. A guide to theory and practice*. Ashgate Publishing Ltd.: Aldershot.

FIELD, Mark G. (1994): Post-communist medicine: Morbidity, mortality, and the deteriorating health situation. In James R. Millar & Sharon L. Wolchik (eds.): *The social legacy of communism*. Woodrow Wilson Center Series. Woodrow Wilson Center Press and Cambridge University Press: Cambridge.

FORMA, Pauli (1998): *Mielipiteiden muutos ja pysyvyys. Suomalaisten mielipiteet hyvinvointivaltiosta, sosiaaliturvasta ja hyvinvointipalveluista vuosina 1992 ja 1996* (Change and stability of opinions. Public opinion on the welfare state, social security and welfare services in Finland in 1992 and 1996). STAKES, Reports 222: Helsinki.

FRISBY, Tanya (1998): The rise of organized crime in Russia: Its roots and social significance. *Europe-Asia Studies* Vol. 50, No 1.

FULLER, Richard C. & Richard R. MYERS (1989): The stages of a social problem. In Earl Rubington & Martin S. Weinberg (eds.): *The study of social problems*. Oxford University Press: New York.

GAFFIKIN, Frank & Mike MORRISSEY (1992): *The new unemployed. Joblessness and poverty in the market economy*. Zed Books: London and New Jersey.

GEORGE, Vic & Nick MANNING (1980): *Socialism, social welfare and the Soviet Union*. Radical social policy. Routledge & Kegan Paul: London, Boston and Henley.

GIDDENS, Anthony (1994): *Beyond left and right. The future of radical politics*. Polity Press: Cambridge.

GIDDENS, Anthony (1998): *The third way. The renewal of social democracy*. Polity Press: Cambridge, Oxford and Malden.

GIDDENS, Anthony (2000): *The third way and its critics*. Polity Press: Cambridge, Oxford and Malden.

GRONOW, Jukka (1997): *The sociology of taste*. Routledge: London and New York.

GUSFIELD, Joseph R. (1989): Constructing the ownership of social problems: Fun and profit in the welfare states. *Social Problems*, Vol. 36, No. 5.

GUSTAFSSON, Björn & Rolf AABERGE & Ådne CAPPELEN & Peder J. PEDERSEN & Nina SMITH & Hannu UUSITALO (1999): The distribution of income in the Nordic countries: changes and causes. In Mikko Kautto & Matti Heikkilä & Bjørn Hvinden & Staffan Marklund & Niels Ploug (eds.): *Nordic social policy. Changing welfare states*. Routledge: London and New York.

HAKKARAINEN, Pekka & Erkki ASP (eds.) (1993): *Innovaatiolla tulevaisuuteen*. (To the future with innovation). Turun yliopiston sosiologian laitoksen tutkimuksia sarja B 26. University of Turku.

HALLERÖD, Björn & Matti HEIKKILÄ (1999): Poverty and social exclusion in the Nordic countries. In Mikko Kautto & Matti Heikkilä & Bjørn Hvinden & Staffan Marklund & Niels Ploug (eds.): *Nordic social policy. Changing welfare states*. Routledge: London and New York.

HANHINEN, Sari (1994): *Sosiaalisten ongelmien, erityisesti päihdeongelmien määrittely lehdistössä valtakunnallisella, paikallisella ja lähipaikallisella tasolla*. (The definitions of social problems in national and local newspapers). MA-dissertation. Department of Social Policy, University of Helsinki.

HANHINEN, Sari (1998): Social problems in transition. Comparing the views of influential groups on social problems and social policy in Estonia, Latvia, Lithuania, Poland and Russia. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.

HANHINEN, Sari & Saija JÄRVINEN (1996): *Social problems in media and in public opinion polls. Views on alcohol and drug problems in Finland*. Paper presented at the Annual Meeting of the Society for the Study of Social Problems. New York, August 15-17.

HANHINEN, Sari & Jukka TÖRRÖNEN (1998): Views on social problems among influential groups in Finland. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.

HEIKKILÄ, Matti (1995): Sosiaalisten ongelmien ja taloudellisen muutoksen välisestä yhteydestä (The connection between economic change and social problems). *Talous & yhteiskunta* 3.

HEIKKILÄ, Matti & Sakari HÄNNINEN & Jouko KARJALAINEN & Osmo KONTULA & Kaj KOSKELA (1994): *Nälkä* (Hunger). Raportteja 153. Sosiaali- ja terveystieteiden tutkimus- ja kehittämiskeskus STAKES: Helsinki.

HILGARTNER, Stephen & Charles L. BOSK (1988): The rise and fall of social problems: A public arenas model. *American Journal of Sociology* Vol. 94, Number 1. July.

HJERPPE, Reino (1998): Sosiaalinen pääoma taloudellisena ilmiönä (Social capital as an economic phenomenon). In Jouko Kajanoja & Jussi Simpura (eds.): *Sosiaalinen pääoma. Käsite ja sen soveltaminen sosiaali- ja talouspolitiikassa*. Valtion taloudellinen tutkimuskeskus. Government Institute for Economic Research. Yliopistopaino: Helsinki.

HOLLANDER, Paul (1991): Politics and social problems. In Anthony Jones & Walter D. Connor & David E. Powell (eds.): *Soviet social problems*. The John M. Olin Critical Issues Series. Westview Press: London.

HOLMES, Leslie (1993): *The end of communist power. Anti-corruption campaigns and legitimization crisis*. Polity Press: Cambridge.

HOLMES, Leslie (1997): *Post-communism. An introduction*. Polity Press: Cambridge.

HØYER, Sverre & Epp LAUK & Peeter VIHALEMM (eds.) (1993): *Towards a civic society. The Baltic media's long road to freedom. Perspectives on history, ethnicity and journalism*. Nota Baltica Ltd.: Tartu.

HUGHES, James (1997): Sub-national élites and post-communist transformation in Russia: A reply to Kryshchanovskaya & White. *Europe-Asia Studies* Vol. 49, No. 6.

HÄNNINEN, Sakari (1990): Julkisuus, normi, valta. Huono-osaiset ehdollistetussa julkisuudessa (Publicity, norm and power. Marginal groups in publicity). In Risto Eräsaari (ed.): *Sosiaalitoimi imaginäärisessä julkisuudessa*. Jyväskylän yliopiston yhteiskuntapolitiikan laitoksen työpapereita nro 59, 1990:3. University of Jyväskylä.

IBARRA, Peter R. & John I. KITSUSE (1993): Vernacular constituents of moral discourse: An interactionist proposal for the study on social problems. In James A. Holstein & Gale Miller (eds.): *Reconsidering social constructionism. Debates in social problems theory*. Aldine de Gruyter Inc.: New York.

ILYNSKY, Igor (1996): Law and order. In Christopher Williams & Vladimir Chuprov & Vladimir Staroverov (eds.): *Russian society in transition*. Dartmouth Publishing Company: Aldershot.

JALLINOJA, Riitta (1993): Arvojen ambivalenssit (The ambivalences of values). In Jan Otto Anderson & Antti Hautamäki & Riitta Jallinoja & Ilkka Niiniluoto & Hannu Uusitalo: *Hyvinvointivaltio ristiaallokossa*. SITRA:n julkaisusarja (nro 131), WSOY: Juva.

JESSOP, Bob (1994): The transition to post-Fordism and the Schumpeterian workfare state. In Roger Burrows & Brian Loader (eds.): *Towards a post-Fordist welfare state?* Routledge: London and New York.

JOWITT, Kenneth (1992): *The new world disorder: The Leninist extinction*. University of California Press: Berkeley.

JUVILER, Peter H. (1991): No end of a problem: Perestroika for the family? In Anthony Jones & Walter D. Connor & David E. Powell (eds.): *Soviet social problems*. The John M. Olin Critical Issues Series. Westview Press: London.

JYRKINEN-PAKKASVIRTA, Teela & Evguenia PORETZKINA (1994): *Transformation, social networks and daily life in St. Petersburg*. Paper presented at the World Conference of Sociology, Bielefeld, July.

JÄRVE, Priit & Christian WELLMANN (1999): *Minorities and majorities in Estonia: Problems of integration at the threshold of the EU*. ECMI Report 2. European Centre for Minority Issues: Flensburg.

JÄRVINEN, Saija (1997): Rhetorics of drug issues in a Finnish afternoon tabloid. Constructing the drug problem. *Alcologia* 9 (3).

JÄRVINEN, Saija (1998): From prosperity and over-consumption to hangover. In Jacek Moskalewicz & Christoffer Tigerstedt (eds.): *Public opinion on social problems. A survey around the Baltic Sea*. NAD Publication No. 36: Helsinki.

KANGAS, Olli & Veli-Matti RITAKALLIO (1996): *Kuka on köyhä? Köyhyys 1990-luvun puolivälin Suomessa* (Who is poor? Finnish poverty in the mid 1990s). Research Reports 65. Sosiaali- ja terveystieteen tutkimus- ja kehittämiskeskus STAKES: Helsinki.

KANGASPUNTA, K. (1995): *Profiles of criminal justice systems in Europe and North America 1986–1990*. HEUNI: Helsinki.

KASYUKOV, I & M. MENDELEIEV (1976): "Sociologist's opinion: Must a family man have talent?" *Nadelia*, transl. in *Current Digest of the Soviet Press* (hereafter CDSP), April 19.

KAUTTO, Mikko & Matti HEIKKILÄ (1998): Pohjoismaiden selviytymistarina (A Nordic survival story). *Yhteiskuntapolitiikka* 63 (1998): 4.

KAUTTO, Mikko & Matti HEIKKILÄ & Bjørn HVINDEN & Staffan MARKLUND & Niels PLOUG (eds.) (1999): *Nordic social policy. Changing welfare states*. Routledge: London and New York.

KIANDER, Jaakko (1998): Sosiaalinen pääoma ja talouspolitiikka (Social capital and economic policy). In Jouko Kajanoja & Jussi Simpura (eds.): *Sosiaalinen pääoma. Käsite ja sen soveltaminen sosiaali- ja talouspolitiikassa*. Valtion taloudellinen tutkimuskeskus. Government Institute for Economic Research. Yliopistopaino: Helsinki.

KILLIAS, Martin (1995): *Crime policy in the face of development of crime in the new European landscape*. Paper presented at Fifth Conference on Crime Policy, Strasbourg, November 27–29.

KITZINGER, Jenny (1994): The methodology of focus groups: The importance of interaction between research participants. *Sociology of Health and Illness* Vol. 16 No. 1.

- KLEMOLA, Pertti (1981): *Helsingin Sanomat, sananvapauden monopoli* (Helsingin Sanomat, the monopoly of the freedom of speech). Otava: Keuruu.
- KLICH, Jacek (1995): Social policy implications of the new Polish economy. In William Dan Perdue (ed.): *Modernization crisis. The transformation of Poland*. Praeger Publishers: Westport.
- KNUDSEN, Knud (1996): *Lithuania in a period of transition*. The Norbalt Living Conditions Project. Fafo report 186. Forskningstiftelsen Fafo: Oslo.
- KOLANKIEWICZ, George (1992): The reconstruction of citizenship: reverse incorporation in Eastern Europe. In Kazimierz Z. Poznanski (ed.): *Constructing capitalism. The reemergence of civil society and liberal economy in the post-communist world*. Westview Press: Boulder, San Francisco and Oxford.
- KORTTEINEN, Matti & Hannu TUOMIKOSKI (1998): *Työtön. Tutkimus pitkäaikaistyöttömien selviytymisestä* (The unemployed. A study on the survival of the long-term unemployed). Kustannusosakeyhtiö Tammi: Helsinki.
- KOSONEN, Pekka & Jussi SIMPURA (1999): *Sosiaalipolitiikka globalisoituvassa maailmassa*. (Social policy in the globalising world) Sosiaalipoliittinen yhdistys. Gaudeamus: Helsinki.
- KOSYGINA, Faina & Solomon KRAPIVENSII (1996): Social policy in Russia. In Christopher Williams & Vladimir Chuprov & Vladimir Staroverov (eds.): *Russian society in transition*. Dartmouth Publishing Company: Aldershot.
- KOTZ, David (1997): *Revolution from above. The demise of the Soviet system*. Routledge: London.
- KOWALIK, Tadeusz (1994): The great transformation and privatization: Three years of Polish experience. In Christopher G.A Bryant & Edmund Mokrzycki (eds.): *The new great transformation? Change and continuity in East-Central Europe*. Routledge: New York.
- KUTSAR, Dagmar (1997): Multiple welfare losses and risk of social exclusion in the Baltic states during societal transition. In Aadne Aasland & Knud Knudsen & Dagmar Kutsar & Ilze Trapenciene (eds.): *The Baltic countries revisited: living conditions and comparative challenges*. The Norbalt Living Conditions Project. Fafo report 230: Oslo.
- KUTSAR, Dagmar & Avo TRUMM (1995): Changed situation, remaining needs: A challenge for welfare policy in Estonia. In Jussi Simpura (ed): *Social policy in transition societies. Experience from the Baltic countries and Russia*. The Finnish ICSW Committee. The Finnish Federation for Social Welfare. Helsinki.
- KYN, Oldrich (1997): Eastern Europe in transition. In Tarmo Haavisto (ed.): *The transition to a market economy. Transformation and reform in the Baltic states*. Edward Elgar: Cheltenham, UK and Brookfield, USA.

LAAKSONEN, Helena (1998): Growth of the economically inactive population 1988-1994 and marginalization tendencies in the 1990s. In Raimo Blom & Harri Melin (eds.): *Economic crisis, social change and new social divisions in Finland*. Series A/29. Department of Sociology and Social Psychology: University of Tampere, Finland.

LAGERSPETZ, Mikko (1996): *Constructing post-communism. A study in the Estonian social problems discourse*. University of Turku.

LAGERSPETZ, Mikko (ed.) (1994): *Social problems in newspapers. Studies around the Baltic Sea*. NAD Publication No. 28: Helsinki.

LAGERSPETZ, Mikko & Sari HANHINEN (1994): Changing world, changing problems: A comparison of Finnish and Estonian press materials. In Mikko Lagerspetz (ed.): *Social problems in newspapers. Studies around the Baltic Sea*. NAD Publication No. 28: Helsinki.

LAGERSPETZ, Mikko & Krista LOOGMA & Pille KASELO (1998): Waiting for the citizen. The views of Estonian influential groups on social problems. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.

LAPIDUS, Gail M. (1983): Social trends. In Robert F. Byrnes (ed.): *After Brezhnev*. Frances Pinter Publishers: London.

LAPIDUS, Gail W. (1991): State and society: Toward the emergence of civil society in the Soviet Union. In Aleksander Dallin & Gail W. Lapidus (eds): *The Soviet system in crisis. A reader of Western and Soviet views*. Westview Press: Oxford.

LASH, Scott (1994): Reflexivity and its doubles: structures, aesthetics, community. In Ulrich Beck & Anthony Giddens & Scott Lash: *Reflexive modernization. Politics, tradition, and aesthetics in the modern social order*. Polity Press: Cambridge.

LAURISTIN, Marju (1995): *Reforms in social policy in Estonia in the context of European integration*. Paper presented at the COST A7 workshop "Welfare Systems and European Integration", Tampere, August 24-27.

LAURISTIN, Marju & Peeter VIHALEMM (1993): Estonia. The first years in the elementary school of democracy. In Sverre Høyer & Epp Lauk & Peeter Vihalemm (eds.): *Towards a civic society. The Baltic media's long road to freedom. Perspectives on history, ethnicity and journalism*. Nota Baltica Ltd.: Tartu.

LEIFMAN, Håkan (ed.) (2000): *Statistics on alcohol, drugs and crime in the Baltic Sea region*. NAD Publication No. 37: Helsinki.

LEIULFSRUD, H. & P. SOHLBERG (1993): Comparative analysis of social change: In Search for some key dimensions. In Ilkka Alanen (ed.): *The Baltic states at a cross roads. Preliminary methodological analyses*. Publications of the Department of Sociology 56/93. University of Jyväskylä.

LEONARD, Peter (1997): *Postmodern welfare. Reconstructing an emancipatory project*. Sage Publications: London.

LEPPIK, Lauri (1995): Historical roots of social welfare policy in Estonia. In Jussi Simpura (ed.): *Social policy in transition societies. Experience from the Baltic countries and Russia*. The Finnish ICSW Committee. The Finnish Federation for Social Welfare: Helsinki.

LEVITAS, Ruth (1996): The concept of social exclusion and the new Durheimian hegemony. *Critical Social Policy* 46, Vol. 16.

LIBORAKINA, Marina & Anna ROTKIRCH (1999): Social consequences of the 1998 crisis in Russia: household strategies and their challenge to municipal social policy. *Idäntutkimus* (The Finnish Review of East European Studies) No 2.

LIEPINS, Valdis (1992): Baltic attitudes to economic recovery: A survey of public opinion in the Baltic countries. *Journal of Baltic Studies* Volume XXII, Number 2. Summer.

LOTSPEICH, Richard (1995): Crime in the transition economies. *Europe-Asia Studies* Vol. 47, No. 4.

LØFGREN, Joan (1997): A different kind of Union. *Transitions. Changes in Post-Communist Societies* Vol. 4. No. 6. November.

LÖYTÖNEN, Markku (1998): Jaettu Eurooppa - väestön terveys ja poliittiset muutokset. (Europe divided - population health and political changes). *Terra* 110:3.

MANNING, Nick (1995): Social policy and the welfare state. In David Lane (ed.): *Russia in transition. Politics, privatisation and inequality*. Longman: London and New York.

MARCINKOWSKI, Aleksander S. & Jerzy B. SOBCZAK (1995): Unemployment. A triple challenge to human development. In William Dan Perdue (ed.): *Modernization crisis. The transformation of Poland*. Praeger Publishers: Westport.

MARKLUND, Staffan & Anders NORDLUND (1999): Economic problems, welfare convergence and political instability. In Mikko Kautto & Matti Heikkilä & Børn Hvinden & Staffan Marklund & Niels Ploug (eds.): *Nordic social policy. Changing welfare states*. Routledge: London and New York.

MASON, Jennifer (1994): Linking qualitative and quantitative data analysis. In Alan Bryman & Robert G. Burgess (eds.): *Analysing qualitative data*. Routledge: London and New York.

MATTHEWS, Mervyn (1989): *Patterns of deprivation in the Soviet Union under Brezhnev and Gorbachev*. Hoover Institution Press, Stanford University: Stanford, California.

MATTHEWS, Mervyn (1991): Perestroika and the rebirth of charity. In Anthony Jones & Walter D. Connor & David E. Powell (eds.): *Soviet social problems*. The John M. Olin Critical Issues Series. Westview Press: London.

MIKHALEV, Vladimir (1996): Social security in Russia under economic transformation. *Europe-Asia Studies* Vol. 48, No 1.

MILLAR, James R. & Sharon L. WOLCHIK (1994): Introduction: The social legacies and the aftermath of communism. In James R. Millar & Sharon L. Wolchik (eds.): *The social legacy of communism*. Woodrow Wilson Center Series. Woodrow Wilson Center Press and Cambridge University Press: Cambridge.

MILLER, Gale & James A. HOLSTEIN (1993): Reconsidering social constructionism. In James A. Holstein & Gale Miller (eds.): *Reconsidering social constructionism. Debates in social problems theory*. Aldine de Gruyter Inc.: New York.

MILLS, C. Wright (1956): *The power elite*. Oxford University Press Inc.: London, Oxford and New York.

MILLS, C. Wright (1959): *The sociological imagination*. Oxford University Press: New York.

MOKSUNEN, Sami (1990): Sosiaalitoimi julkisuudessa ja imagot sosiaalitoimijulkisuudessa (Social welfare sector in publicity and images in publicity of social welfare sector). In Risto Eräsaari (ed.): *Sosiaalitoimi imaginäärisessä julkisuudessa*. Jyväskylän yliopiston yhteiskuntapolitiikan laitoksen työpapereita nro 59, 1990: 3. University of Jyväskylä.

MORGAN, David L. (1988): *Focus groups as qualitative research*. Qualitative research methods series, Volume 16. A. Sage: London.

MORVANT, Penny (1996): The changing face of poverty. *Transition* 12, January.

MOSKALEWICZ, Jacek & TIGERSTEDT, Christoffer (eds.) (1998): *Public opinion on social problems. A survey around the Baltic Sea*. NAD Publication No. 36: Helsinki.

MULLARD, Maurice & Paul SPICKER (1998): *Social policy in a changing society*. Routledge: London and New York.

MYGIND, Niels (1997): A comparative analysis of the economic transition in the Baltic countries - barriers, strategies, perspectives. In Tarmo Haavisto (ed.): *The transition to a market economy. Transformation and reform in the Baltic states*. Edward Elgar: Cheltenham, UK and Brookfield, USA.

NARUSK, Anu (1996): Gendered outcomes of the transition in Estonia. *Idäntutkimus* (The Finnish Review of East European Studies) Vol. 3. 3.-4. issue.

NIINILUOTO, Ilkka (1993): Oikeudenmukaisuus yhteiskunnallisena arvona (Justice as a societal value). In Jan Otto Anderson & Antti Hautamäki & Riitta Jallinoja & Ilkka Niiniluoto & Hannu Uusitalo: *Hyvinvointivaltio ristiaallokossa*. SITRA:n julkaisusarja (nro 131), WSOY: Juva.

OFFE, Claus (1996a): *Varieties of transition. The East European and East German experience*. Polity Press: Cambridge.

OFFE, Claus (1996b): *Modernity and the state. East, West*. Polity Press: Cambridge and Oxford.

ØYEN, Else (1990): The imperfection of comparisons. In Else Øyen (ed.): *Comparative methodology. Theory and practice in international social research*. Sage Studies in International Sociology 40. Sage Publications: London, Newbury Park and New Delhi.

PALKA, Stanislaw (1995): Polish democracy and the university. In William Dan Perdue (ed.): *Modernization crisis. The transformation of Poland*. Praeger Publishers: Westport, USA.

PANOV, Andrei (1995): Social development in the transitional period in Russia. In Jussi Simpura (ed.): *Social policy in transition societies. Experience from the Baltic countries and Russia*. The Finnish ICSW Committee. The Finnish Federation for Social Welfare. Helsinki.

PEARCE, Barnett W. & Stephen W. LITTLEJOHN (1997): *Moral conflict. When social worlds collide*. Sage Publications: Thousand Oaks, London and New Delhi.

PEARCE, Frank (1989): *The radical Durkheim*. Unwin Hyman Ltd.: London.

PIERSON, Christopher (1994): Continuity and discontinuity in the emergence of the "post-Fordist" welfare state. In Roger Burrows & Brian Loader (eds.): *Towards a post-Fordist welfare state?* Routledge: London and New York.

PIERSON, Christopher (1996): *The modern state*. Routledge: London and New York.

PIERSON, Christopher (1998): *Beyond the welfare state? The new political economy of welfare*. Second edition. Polity Press: Cambridge and Oxford.

PIIRAINEN, Timo (1993): *Vuokra-asuminen ja sosiaaliset ongelmat*. (Rental housing and social problems). STAKES, tutkimuksia 24: Jyväskylä.

PIIRAINEN, Timo (1997): *Towards a new social order in Russia. Transforming structures and everyday life*. Dartmouth Publishing Company Limited: Aldershot, Brookfield USA, Singapore and Sydney.

PLOUG, Niels (1999): Cuts in and reform of the Nordic cash benefit systems. In Mikko Kautto & Matti Heikkilä & Bjørn Hvinden & Staffan Marklund & Niels Ploug (eds.): *Nordic social policy. Changing welfare states*. Routledge: London and New York.

PORETZKINA, Evguenia & Teela JYRKINEN-PAKKASVIRTA (1997): Reconstruction of consumption patterns of St. Petersburg families. *Yearbook of Sociology* 1997.1.

PUTNAM, Robert D. (1993): *Making democracy work. Civic traditions in modern Italy*. Princeton (N.J.): Princeton University Press.

REMYINGTON, Thomas (1991): A socialist pluralism of opinions: Glasnost and policy-making under Gorbachev. In Aleksander Dallin & Gail W. Lapidus (eds.): *The Soviet system in crisis. A reader of Western and Soviet views*. Westview Press: Oxford.

REMNICK, David (1997): *Resurrection. The struggle for a new Russia*. Random House, Inc.: New York.

RIFKIN, Jeremy (1995): *The end of work. The decline of the global labor force and the dawn of the post-market era*. G.P. Putnam's sons: New York.

RIMASHEVSKAYA, Natalia (1998): Well-being and quality of life in Russia from 1968 to 1988: The Taganrog studies. In Evgeny Turuntsev & Jussi Simputa (eds.): *Russian social policy in the early 1990's*. Foundation of Economic Policy: Moscow.

RINGEN, Stein (1987): *The possibility of politics*. Clarendon: Oxford.

RITAKALLIO, Veli-Matti (1994): Köyhyyden muuttunut kuva Suomessa 1966–1990 (The changed picture of poverty in Finland 1966–1990). In Matti Heikkilä & Kari Vähätalo (eds.): *Huono-osaisuus ja hyvinvointivaltion muutos*. Gaudeamus: Tampere.

ROBERTSON, Ian (1988): *Sociology*. Worth Publishers Inc.: New York.

ROSE, Nicholas (1997): *Between authority and liberty: Governing virtue in a free society*. Presentation for the seminar "Civil Society, Communitarianism, Third Sector". Helsinki, October 24.

ROSE, Richard (1993): Bringing freedom back in. In Catherine Jones (ed.): *New perspectives on the welfare state in Europe*. Routledge: London.

RUBINGTON, Earl & Martin S. WEINBERG (1995): *The study of social problems. Seven perspectives*. Oxford University Press: New York.

RUOSTETSAARI, Ilkka (1992): *Vallan ytimessä. Tutkimus suomalaisesta valtaeliitistä*. (In a core of power. A study on the Finnish power elite). Gaudeamus: Tampere.

SAKWA, Richard (1993): *Russian politics and society*. Routledge: London and New York.

SANJIAN, Andrea (1994): The social construction of deviance and the transition from communist rule. In James R. Millar & Sharon L. Wolchik (eds.): *The social legacy of communism*. Woodrow Wilson Center Series. Woodrow Wilson Center Press and Cambridge University Press: Cambridge.

SANTAMÄKI-VUORI, Tuire (1996): *Pitkäaikaistyöttömien työmarkkinakokemukset lamavuosina 1993-1994* (The experiences of long-term unemployed on labour markets during the years of recession 1993-1994). Työministeriö: Helsinki.

SANTIAGO, Anna M. (1993): Comments from the special collection editor: Global perspectives on social problems - current issues and debates. *Social Problems* Vol. 40, No. 2, May.

SCHÖPFLIN, George (1997): The intangibles of transition: attitudinal obstacles to change. In Neil Hood & Robert Kilis & Jan-Erik Vahlne (eds.): *Transition in the Baltic states. Micro-level studies*. Macmillan Press Ltd: Basingstoke.

SCOTT, John (1996): *Stratification & power: Structures of class, status and command*. Polity Press: Cambridge and Oxford.

SELIGER, Bernhard (1998): Integration of the Baltic states in the European Union in the light of the theory of institutional competition. *Communist Economies & Economic transformation* Vol. 10, No. 1.

SENN, Mary S. & Peter R. SENN (1993): What is a social problem? A history of its definition. *Jahrbuch für Soziologiegeschichte*.

SHELLEY, Louise I. (1991): Crime in the Soviet Union. In Anthony Jones & Walter D. Connor & David E. Powell (eds.): *Soviet social problems*. The John M. Olin Critical Issues Series. Westview Press: London.

SHELLEY, Louise (1994): Crime and the collapse of the Soviet state. In James R. Millar & Sharon L. Wolchik (eds.): *The social legacy of communism*. Woodrow Wilson Center Series. Woodrow Wilson Center Press and Cambridge University Press: Cambridge.

SHEVTSOVA, Lilia (1995): Russia's post-communist politics: Revolution or continuity? In Gail. W. Lapidus (ed.): *The new Russia. Troubled transformation*. Westview Press: Boulder, San Francisco and Oxford.

SHLAPENTOKH, Vladimir (1989): *Public and private life of the Soviet people. Changing values in post-Stalin Russia*. Oxford University Press: New York.

SIMON, David R. & Joel H. HENDERSON (1997): *Private troubles and public issues. Social problems in the postmodern era*. Hartcourt Brace Publishers: Fort Worth.

SIMPURA, Jussi (1991): Kuka päättää, mitkä ovat sosiaalisia ongelmia? (Who decides what are social problems? *Sosiaalinen aikakauskirja* 85 (1).

SIMPURA, Jussi (1999): Maailman murheet, omat ongelmat: sosiaaliset ongelmat Itämeren alueen murroksessa (Global troubles, local problems: social problems in the transformations of the Baltic Sea region). In Pekka Kosonen & Jussi Simpura (eds.): *Sosiaalipolitiikka globalisoituvassa maailmassa*. Sosiaalipoliittinen yhdistys. Gaudeamus: Helsinki.

SIMPURA, Jussi (ed.) (1995): *Social policy in transition societies. Experience from the Baltic countries and Russia*. The Finnish ICSW Committee. The Finnish Federation for Social Welfare. Helsinki.

SIMPURA, Jussi & Galina EREMICHEVA (1997a): Dirt: Symbolic and practical dimensions of social problems in St. Petersburg. *International Journal of Urban and Regional Research* 21 (3).

SIMPURA, Jussi & Galina EREMICHEVA (1997b): Distrust as a social problem in St. Petersburg. In Reino Hjerpe et al. (eds.): *Democracy, economy and civil society in transition. The cases of Russia and the Baltic states*. Finnish Institute for Foreign Policy. Helsinki.

SIMPURA, Jussi & Galina EREMITCHEVA & Elena EVDOKIMOVA & Simo MANNILA & Teela PAKKASVIRTA & Evguenia PORETZKINA (1999): No limits to patience? Experiences of the Russian economic crisis of 1998 in the everyday lives of ten middle-class families in St Petersburg. *Idäntutkimus* (The Finnish Review of East European Studies) No 2.

SIMPURA, Jussi & Boris M. LEVIN (1997): Demystifying Russian drinking. An introduction. In Jussi Simpura & Boris M. Levin (eds.): *Demystifying Russian drinking. Comparative studies from 1990s*. Stakes, Research Report 85. Gummerus kirjapaino Oy: Saarijärvi.

SIMPURA, Jussi & Christoffer TIGERSTEDT (1992): *Social problems around the Baltic Sea. Report from the Baltica Study*. NAD Publication No. 21: Helsinki.

SIMPURA, Jussi & Christoffer TIGERSTEDT (1995): *Social problems, social change and comparative research. Approaches to the study on transition societies around the Baltic Sea*. Working paper for the project meeting of the Baltica Study, October 1995: Kühlungsborn.

SIMPURA, Jussi & Christoffer TIGERSTEDT (1999): *In search of transformational paths for alcohol issues and other social problems. An outline on the basis of findings from the Baltica Study on the countries around the Baltic Sea*. A paper presented at the 25th Annual Alcohol Epidemiology Symposium of the Kettil Bruun Society, Montreal, Canada, May 31 - June 4.

SIPILÄ, Jorma (1986): *Sosiaalipolitiikan tulevaisuus* (The future of social policy). Painokaari: Helsinki.

SLATER, Wendy (1995): "Women of Russia" and women's representation in Russian politics. In David Lane (ed.): *Russia in transition. Politics, privatisation and inequality*. Longman: London and New York.

SMITH, Adrian & John PICKLES (1998): Introduction: theorising transition and the political economy of transformation. In John Pickles & Adrian Smith (eds.): *Theorising transition. The political economy of post-communist transformations*. Routledge: London and New York.

SMITH, Adrian & Adam SWAIN (1998): Regulating and institutionalising capitalisms: the micro-foundations of transformation in Eastern and Central Europe. In John Pickles & Adrian Smith (eds.): *Theorising transition. The political economy of post-communist transformations*. Routledge: London and New York.

SOBCZYK, Arkadiusz (1995): The human toll: Unemployment in Poland. In William Dan Perdue (ed.): *Modernization crisis. The transformation of Poland*. Praeger Publishers: Westport.

SOBIECH, Robert (1998): "Chances for ants' and grasshoppers' rights". Influential groups and their definitions of social problems in Poland. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.

SPECTOR, Malcom & John I. KITSUSE (1987): *Constructing social problems*. Aldine de Gruyter Inc.: New York.

SRUBAR, Ilja (1991): War der reale sozialismus modern? Versuch einer structurellen bestimmung. *Kölner Zeitschrift für Soziologie und Sozialpsychologie* 43, 3.

STANDING, Guy (1996): Social protection in Central and Eastern Europe: A tale of slipping anchors and torn safety nets. In Gösta Esping-Andersen (ed.): *Welfare states in transition. National adaptations in global economies*. Sage Publications: London.

STANDING, Guy (1998): Societal impoverishment: The challenge for Russian social policy. *Journal of European Social Policy* Vol 8 (1).

STATISTICAL YEARBOOK OF FINLAND (1999): Sarjat. Tilastokeskus: Helsinki.

STATISTICS FINLAND (1995): *Työmarkkinat* (Labour market) 1995:4. Työvoimatilasto 1994, joulukuu ja 4. neljännes. Tilastokeskus: Helsinki.

STEEN, Anton (1997): *Between past and future: Elites, democracy and the state in post-communist countries. A comparison of Estonia, Latvia and Lithuania*. Ashgate: Aldershot, Brookfield USA, Singapore and Sydney.

STEPHENS, John D. (1996): The Scandinavian welfare states: Achievements, crisis, and prospects. In Gösta Esping-Andersen (ed.): *Welfare states in transition. National adaptations in global economies*. Sage Publications: London.

STOJANOV, Cristo (1992): The post-socialist transformation: A unique (re)-modernization? *Research in Social Movements, Conflicts and Change* 14.

SULKUNEN, Pekka (1993): Suomalainen yhteiskunta ja suurten projektien loppu (The Finnish society and the end of big projects). In Kaj Ilmonen (ed.): *Kestävyyskoe. Kirjoituksia 90-luvun Suomesta*. Vastapaino: Tampere.

SUTELA, Pekka (1994): Production, employment and inflation in the Baltic countries. *Communist Economies & Economic Transformation* 6 (2).

SZACKI, Jerzy (1995): *Liberalism after communism*. Central European University Press: Budapest, London and New York.

SZELENYI, Ivan (1983): *Urban inequalities under state socialism*. Oxford University Press: New York.

SZELÉNYI, Iván & Szonja SZELÉNYI (1995): Circulation or reproduction of elites during the postcommunist transformation of Eastern Europe. *Theory and Society* 24.

SZTOMPKA, Piotr (1991): The intangibles and imponderables of the transition to democracy. *Studies in comparative communism* Vol. XXIV, No. 3, September.

SZTOMPKA, Piotr (1996): Looking back: the year 1989 as a cultural and civilizational break. *Communist and Post-Communist Studies* Vol. 29, No. 2.

TANASE, Stelian (1999): Changing societies and elite transformation. *East European Politics and Societies* Volume 13, No. 2, Spring.

TEUNE, Henry (1990): Comparing countries: Lessons learned. In Else Øyen (ed.): *Comparative methodology. Theory and practice in international social research*. Sage Studies in International Sociology 40. Sage Publications: London, Newbury Park and New Delhi.

THERBORN, Göran (1995): *European modernity and beyond. The trajectory of European societies 1945–2000*. SAGE Publications: London.

TONG, Yanqi (1995): Mass alienation under state socialism and after. *Communist and Post-Communist Studies* Vol. 28, No 2.

TRANSITION REPORT (1998): European Bank for Reconstruction and Development: London.

TROYER, Ronald J. (1989): Are social problems and social movements the same thing? *Perspectives on Social Problems* Volume 1.

TULVA, Taimi (1994): *Kansalaisyhteiskunnan kasvukivut - sosiaaliset ongelmat Eestissä* (Growing pains of civil society - social problems in Estonia). Helsingin kaupungin tietokeskuksen tutkimuksia 1994:10, Helsinki.

TWIGG, Judyth L. (1997): Russian health care in critical condition. *Transitions* Vol. 4, No. 3.

TÖRRÖNEN, Jukka & Sari HANHINEN (1998): A group interview study on social problems around the Baltic Sea. Introduction to country reports. In Sari Hanhinen & Jukka Törrönen (eds.): *Journalists, administrators and business people on social problems. A study around the Baltic Sea*. NAD Publication No. 35: Helsinki.

UNWIN, Tim (1998): Rurality and the construction of nation in Estonia. In John Pickles & Adrian Smith (eds.): *Theorising transition. The political economy of post-communist transformations*. Routledge: London and New York.

UUSITALO, Hannu (1993): Pohjoismaisen hyvinvointivaltion arvot ja käytäntö (The values and practices of the Nordic welfare state). In Jan Otto Anderson & Antti Hautamäki & Riitta Jallinoja & Ilkka Niiniluoto & Hannu Uusitalo: *Hyvinvointivaltio ristiaallokossa*. SITRA:n julkaisusarja (nro 131), WSOY: Juva.

UUSITALO, Hannu (1998): Laman aikana tulonjako säilyi entisellään, mutta laman jälkeen erot ovat kasvussa (At the time of the recession the income distribution remained stable - afterwards it has been increasing). *Yhteiskuntapolitiikka* 63 (1998): 5-6.

VIRTANEN, Petri (1995): Social exclusion as a multidimensional concept. In Riitta Särkelä & Petri Virtanen (eds.): *Ihmisten arki ja yhteiskunnan muutos*. Sosiaaliturvan keskusliitto: Helsinki.

VÄHÄTALO, Kari (1994): Suomalaisen huono-osaisuuden tutkimus 1980- ja 1990-luvulla (Research of deprivation in Finland in the 1980s and 1990s). In Matti Heikkilä & Kari Vähätalo (eds.): *Huono-osaisuus ja hyvinvointivaltion muutos*. Gaudeamus: Tampere.

WEBER, Max (1972): *Wirtschaft und Gesellschaft*. Tübingen.

WESOLOWSKI, Wlodzimierz (1995): The nature of social ties and the future of post-communist society: Poland after solidarity. In John A. Hall (ed.): *Civil society. Theory, history, comparison*. Polity Press: Cambridge.

WOLD, Jorunn (1997): Attitudes towards privatisation in Estonia, Latvia and Lithuania. In Aadne Aasland & Knud Knudsen & Dagmar Kutsar & Ilze Trapenciene (eds.): *The Baltic countries revisited: living conditions and comparative challenges*. The Norbalt Living Conditions Project. Fafo report 230. Oslo.

WOOLCOCK, Michael (1998): Social capital and economic development: Toward a theoretical synthesis and policy framework. *Theory and Society* 27.

WOOLGAR, Steve & Dorothy PAWLUCH (1985): Ontological gerrymandering: The anatomy of social problems explanations. *Social Problems* Vol. 32, No. 3.

WYMAN, Matthew (1997): *Public opinion in postcommunist Russia*. Studies in Russian & East European History & Society. General editors: R.W. Davies & E.A. Rees. Macmillan Press Ltd.: Basingstoke and London.

YOUNG, Jock (1999): *The exclusive society. Social exclusion, crime and difference in late modernity*. Sage Publications: London, Thousand Oaks and New Delhi.

ZAREBA, Ewa (1995): The social functions of schools in the new Poland. In William Dan Perdue (ed.): *Modernization crisis. The transformation of Poland*. Praeger Publishers: Westport, USA.

ZASLAVSKY, Victor (1995): From redistribution to marketization: Social and attitudinal change in post-Soviet Russia. In Gail W. Lapidus (ed.): *The new Russia. Troubled transformation*. Westview Press: Boulder, San Francisco and Oxford.

ZUBEK, Voytek (1997): The end of liberalism? Economic liberalization and the transformation of post-communist Poland. *Communist and Post-Communist Studies* Vol. 30, No. 2.